# REPLACEMENT OF THE STEAMSHIP "AMERICA"

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## HEARING

BEFORE THE

## COMMITTEE ON MERCHANT MARINE AND FISHERIES

## HOUSE OF REPRESENTATIVES

EIGHTY-FOURTH CONGRESS

SECOND SESSION

JULY 11, 1956

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# REPLACEMENT OF THE STEAMSHIP "AMERICA"

**WEDNESDAY, JULY 11, 1956**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON MERCHANT MARINE AND FISHERIES,
*Washington, D. C.*

The committee met at 10 a. m., pursuant to call, in room 219, Old House Office Building, Hon. Herbert C. Bonner (chairman) presiding.

The CHAIRMAN. The committee will come to order.

This morning we are holding a hearing on plans of the Maritime Administration to replace the steamship *America* in its operation between the United States and north Europe. I can best state the purpose and scope of this hearing by reading from a letter which I addressed to Mr. Clarence G. Morse, the Maritime Administrator, under date of July 3, 1956. I read from the letter:

> In connection with recent hearings before the committee, it was brought out that there are only 2 American-flag passenger ships in the North Atlantic service, and that 1 of them has reached an age requiring early replacement These two vessels are the steamship *United States* and the steamship *America*. In these same hearings, it was brought out not only that there is an existing deficiency in the passenger-carrying component of our active merchant marine from a mobilization standpoint, but that the demand for passenger space in the North Atlantic is at an all-time peak, and is still growing.
>
> In view of the fact that the steamship *America* is due for replacement by 1960, it seems to me essential that we give immediate consideration to plans for her replacement, probably by a larger vessel which would be a sister ship to the steamship *United States*. I am sure that you have given consideration to this problem, and would like to request that you appear at a public hearing before the full committee at 10 a. m. on Wednesday, July 11, to discuss with the committee your plans for the replacement of the *America*, bringing with you such members of your staff as you deem appropriate.

I have also requested that Maj. Gen. John M. Franklin, president of the United States Lines, which owns the *America*, be present to make his comment on the subject for the benefit of the committee, and also Rear Adm. Albert G. Mumma, Chief of the Bureau of Ships, as well as Mr. Casey, president of the American Merchant Marine Institute.

I would like to make it clear to the committee that this is not intended to be a full-scale study of the problem; nor do we have any legislation before us. I am anxious that this hearing be completed this morning and, therefore, request that the witnesses and the members bear in mind that it is only a preliminary hearing in order to learn some of the problems involved and, I hope, assist the Maritime Administration in advancing its plans toward consummation of this important long-term project.

There will be four witnesses and as to such questions which the members desire to ask, I request that you hold the questions entirely to the subject of replacing the *America* and refrain from fringe questions.

Mr. TOLLEFSON. We just had a quorum call.

The CHAIRMAN. I imagine all the members would like to go to the floor. If the witnesses will bear with us for about 10 minutes, we can all answer the quorum call and resume this hearing. I have secured the permission of the House to sit during general debate this morning.

The committee will come to order. The committee is ready to hear from the Maritime Administration.

## STATEMENT OF HON. CLARENCE G. MORSE, MARITIME ADMINISTRATOR

Mr. MORSE. Good morning, Mr. Bonner, and gentlemen.

The CHAIRMAN. Good morning, Mr. Morse.

Mr. MORSE. I do not have a prepared statement, but we welcome this opportunity of appearing before the committee to discuss the problems confronting us for the replacement of the *America*.

The *America* will become 20 years of age in 1960 and, as I recall, the operating subsidy on the *America* will terminate unless by 1958 the United States Lines enter into a contract for its replacement; so we have initiated discussions with the United States Lines on this problem.

All of us know that when the *United States* was built serious complications arose, and we want to avoid those complications at this time. I cannot speak for the Defense Department, but our thinking on this matter has been, and I assume that the Defense Department will state, that they would like to have a duplicate of the *United States* for the replacement of the *America*. On that assumption, our thinking has been that we could put out for bids the plans and specifications of the steamship *United States*. Our purpose in doing that is twofold. One is substantial savings in the preparation of contract plans and specifications and the working plans and specifications; and, second, when we would appear before the Appropriations Committees for appropriations for this duplicate ship, we would be using not estimates but we would be using firm bids for the construction of the ship, our thought being that, if we would put them out in the near future, we would call for bids to be opened in early January with the bids to be held open until, say, toward the end of August 1957, to allow for our 1958 appropriations to be available for fiscal 1958. Then when we go to the Appropriations Committees we would say, "We have bids of X millions of dollars for the national defense ship."

The CHAIRMAN. You said "ship." Do you mean national defense features?

Mr. MORSE. It would be the duplicate ship of the *United States*. Then the next step that we contemplate is that right at the inception we would work hand in glove with the Navy Department and the General Accounting Office in computing what would be the national defense features of the ship.

That was done, of course, when the *United States* was built. The national-defense features were determined when the *United States* was built. The only substantial change that I would anticipate in the national-defense features would be in the speed of the replacement of the *America* as compared with the *United States* itself. The commercial ship at the time the *United States* was built, as I recall,

was designed at 28 or 28½ knots. The fact of the matter is that the *United States* is being utilized at a service speed of about 30½ knots. We are in process of verifying what the actual speeds have been by checking the logs for each of the voyages to determine what the revolutions have been, what the speed has been, and things of that nature, so that we will have accurate information on the commercial characteristics of the vessel itself.

Then there will be an override on the horsepower, 5 or 10 percent or whatever is proper under our regulations to determine what the horsepower of a commercial ship having this 30½-knot speed would be, so that I again say that the major difference, I think, in the national-defense features of the duplicate ship would be in the powerplant, the powerplant for the commercial ship of the *United States* having been originally a 28-knot or a 28½-knot ship, whereas the powerplant on the replacement for the *America* would be a powerplant having commercial speed of 30½ knots.

Our purpose here in coming before this committee is to obtain your guidance. We do not want either this committee or the Appropriations Committee to feel that we are jumping the gun any in proposing to ask for bids at this time before we have even made a request for an appropriation for this ship, our thought being that we would put out the request for bids putting in appropriate language which would say that we do not now have the appropriations, we are going to ask for appropriations in our 1958 budget, and that obviously any or all the bids could be rejected irrespective of whether we get appropriations; so that the shipyards that would bid would not be under any misapprehension that we now have funds in hand and could contract if bids were acceptable.

I have checked this out with our General Counsel's Office and they say there is no legal objection to putting out bids at this time with the appropriate phrasing in the request for bids to protect the interests of the Government.

It seems to me that there are two possible alternatives for arriving at the cost of what would be a commercial ship and what would be the cost of a national-defense ship.

One would be to have contract plans and specifications prepared for a strictly commercial ships and have those plans and specifications put out for bids simultaneously with the request for bids on the national defense ship, the duplicate of the *United States*, and then, when the bids come in, presumably you have—and I say "presumably" advisedly—the actual national defense cost of the national defense ship. I am not personally convinced that bids received on that basis would be a true evaluation of the cost of the commercial ship because the bidders would undoubtedly know, if they asked me anyway, whether the Government wants a national defense ship built or wants a commercial ship built. Assuming that the decision is made that we want a national defense ship, I would have to be candid with them and say that we want a national defense ship. Therefore, I say that their bidding on the commercial ship might not be as realistic as their bidding would be on the national defense ship.

The other alternative for a determination of what the national defense features of the ship would be would be to start from the determination of what the national defense features were on the *United States* itself; then bring that thinking up to date in today's designs

and planning for both a commercial ship of this character and the national defense ship of this character. I think that that can be done on a sound basis, with the Navy Department, ourselves, and GAO working hand in hand, so that I would not anticipate that there would be any complications either with the Congress or with the company or with GAO or with anyone else proceeding on that basis.

Let me make this comment. One of the problems which arose, from my recollection of reviewing the record of the building of the *United States*, was the fact that the United States Lines then indicated that they could afford to build the ship only if their participation in the cost was X millions of dollars. I would have no intention of approaching the replacement of the *America* on that basis. The 1936 act pretty clearly spells out what our obligations are.

I would approach it on this basis: we would determine to the best of our ability the cost of the national defense features, the cost of the commercial ship, the proper construction subsidy that would be allowed under the law, and, if the United States Lines could buy a ship on that basis, we would proceed. If they could not buy a ship on that basis, the whole thing would have to be dropped, but I would have no intention at any time of coming up with a figure which would necessarily be in a range that would be acceptable to the United States Lines, if I make myself clear.

This would not be a result which would be tailored to their needs. If the result was acceptable to them, we might have a deal; otherwise, we might not have a deal.

Another feature which would be of real importance to the United States Lines would be the value of the *America*. For trade-in purposes we would be able to pay only the depreciated book value. As I recall, I think she was built with construction subsidy, so that her value would be a relatively nominal amount.

At the end of the 20th year, which would be about the time she would be available for trade-in against a new vessel, she would be depreciated to virtually zero. Her scrap value would be not very much in this country in any event. I would be just guessing if I said a half million dollars.

The other alternative would be that, after she has attained the age of 20 years, it would be permitted to have her transferred foreign with our usual restrictions as to availability to this Government in the event of a national emergency, and perhaps also with restrictions that the vessel not be permitted to trade to the United States either at all or for a period of 5 or 10 years, something of that sort.

I am sure that, as far as the return to the owners is concerned, they would receive a much more substantial return on a trade-out of that character than they would by turning her in under the statute.

There is one question which is being checked out. That is section 802, I think, whether that section applies; and that section says that for requisition purposes anyway the value of a vessel built with construction subsidy is the depreciated book value.

Now, there is a legal question of whether that is controlling where the vessel is accepted on a trade-in basis, but we will have to check that out with GAO, and, if more than the book value could be paid lawfully, consideration might be given to paying more than the book value. In that event, the other standard which is a fair value taking

into consideration the foreign market value, the domestic value and the scrap value, would be available.

Obviously, whatever they recover on the *America* will substantially affect their ability to pay for a replacement.

We have had our office check out tentatively the probable operating result which would be reflected by a duplicate of the *United States* as compared with the operating results of the steamship *America*. We are also having the United States Lines work up a similar comparison so that we can doublecheck our figures. As I mentioned before, we are having the logs checked.

We know that the *America* is not an economic ship, whereas the *United States*, even with her high depreciation, makes some money. She is not a gold mine by a long ways, but she does make money. She is a vessel which is highly acceptable to passengers in the transatlantic trade, and we have every reason to suspect that the duplicate ship would be equally acceptable.

That is a very informal statement of the problems that are confronting us on the replacement of the *America*, but it indicates our thinking and our plan of procedure in going ahead with the deal, assuming that the Navy is agreeable, and thinks it is feasible, assuming our people think it is feasible, which they do, and assuming that the GAO thinks it is a feasible method of procedure.

The CHAIRMAN. Thank you, Mr. Morse. That is the purpose of this hearing. There is a responsibility on this committee and on your Board to perpetuate and foster and advocate a strong American merchant marine. Therefore, we called you to demonstrate our interest since the Defense Department has publicly stated that we are 15 or more passenger ships short. We felt that this replacement would take time in bringing to completion.

The committee wanted to know what you and your Board were doing so that the committee would understand just what the future may be for the American merchant marine with respect to passenger transportation since it has been repeatedly stated here that there was not sufficient service for American citizens to travel under the American flag.

In your remarks so far I fail to remember your putting in the record the speed of the *America* and a little something about her history so as to reflect its possible value in the reserve fleet as a troop transport carrier.

Mr. MORSE. I think you could better get that information from General Franklin because he is familiar with it and I am not prepared. I could submit it for the record.

The CHAIRMAN. I think that we should have that from the Government's standpoint. I can appreciate that it could come from General Franklin, but I want the record to show what the ship has done for the national defense and what its possibilities are in the future for the national defense, since we have gone into the problem here of its depreciated value; whether or not transferring this ship foreign would be the wise thing or whether or not the Navy, which is now coming to you and telling you that they want the Mariners to boost their striking power when the Mariners were specifically built for the merchant marine, wants the ship in the reserve fleet.

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Personally, I think it is a question. You might say we went to sleep and let a defense appropriations bill give authority to the Navy to take the Mariners from you. I think all of this dovetails together

Mr. MORSE. I understand that the vessel has a service speed of 22½ knots, but I will verify that and supply it for the record.

(The information referred to follows:)

The recorded service speed is 22.2 knots.

Mr. MORSE. I know that the vessel during the war was used as a transport. She carried thousands and thousands of troops without a casualty. She was a very good troop transport. She is not as suitable as a duplicate of the *United States* would be, but she was quite acceptable.

I understand that she carried 8,500 troops per voyage.

The CHAIRMAN. About the time the vessel was completed for passenger service it was then converted for transport purposes and the national defense was most fortunate to have it at that time. Is that a fact?

Mr. MORSE. Yes, sir. That is a fact.

The CHAIRMAN. Beyond the cost that the Government had invested in the vessel at that time, there was a value that is hard to appreciate and on which it is hard to show the actual dollars and cents figure.

Mr. MORSE. That is very definitely true.

The CHAIRMAN. Then, if we transferred the vessel foreign now and the Navy is taking a slower vessel to convert to a troop carrier, the question is whether or not this vessel might not be more valuable as a troop carrier in the Navy's striking task force than one of the Mariners, and the Mariner might not be of more value to the merchant marine.

Mr. MORSE. Yes, sir. That is a question which Defense could answer much better than I.

The CHAIRMAN. Of course, we are not here to ask you a lot of questions, but I wanted to get that in the record.

Mr. Garmatz?

Mr. GARMATZ. I have no questions.

The CHAIRMAN. I want to hold the questions as much as possible so that we can hear the other witnesses.

Mr. TOLLEFSON. How old is the *America?*

Mr. MORSE. She will be 20 years of age in 1960. She was built in 1940.

Mr. TOLLEFSON. She is being operated under an operating-subsidy agreement with the Government?

Mr. MORSE. Correct.

Mr. TOLLEFSON. And that contract provides for replacement; does it not?

Mr. MORSE. It does not. It merely provides that the operating subsidy will cease in 1958 on the *America* unless by that time they enter into a replacement obligation.

Mr. TOLLEFSON. There is some kind of a contractual obligation on their part. That is, at least there is the understanding that, if she is not replaced, the operating-subsidy contract, as far as that vessel is concerned, will terminate.

Mr. MORSE. It is not an understanding. It is a contract provision.

Mr. TOLLEFSON. Then there is a contract to the effect that she must be replaced if they want to participate in the operating-subsidy agreement with the Government?

Mr. MORSE. Yes, but to be factual there is no obligation to replace.

Mr. TOLLEFSON. I understand.

Mr. MORSE. There is an obligation that they lose their operating subsidy on the *America* unless they replace.

Mr. TOLLEFSON. In effect, it amounts to an agreement to replace if they want to continue an operating subsidy on that vessel. Let us not quibble over the words.

Mr. MORSE. I will accept your version.

Mr. TOLLEFSON. The fact is that, if they do not replace it, the operating-subsidy agreement on the *America* ceases.

Mr. MORSE. Correct.

Mr. TOLLEFSON. The United States Lines then could not operate her competitively with foreign operators?

Mr. MORSE. They could not afford to operate her.

Mr. TOLLEFSON. They would have to lay her up?

Mr. MORSE. Yes, sir.

Mr. TOLLEFSON. You say that she carried about 8,500 troops?

Mr. MORSE. Yes, sir; per voyage.

Mr. TOLLEFSON. What is her passenger-carrying capacity?

Mr. MORSE. One thousand berths.

Mr. TOLLEFSON. How does that compare with the *United States?*

Mr. MORSE. She has 2,000 berths, the *United States.*

Mr. TOLLEFSON. The chairman called my attention to the fact that, in connection with the troop-carrying capacity, maybe the record ought to show something concerning the troop-carrying capacity of the the *United States*, were she converted.

Mr. MORSE. 13,035.

Mr. TOLLEFSON. That is against 8,500 for the *America?*

Mr. MORSE. Yes, sir.

Mr. TOLLEFSON. Now, that raises a question in my mind in connection with the defense features the cost of which would be borne by the Government. Is it a fact that, in the construction of the *United States*, the ship was constructed so that it could be easily converted into a troop carrier?

Mr. MORSE. Yes, sir.

Mr. TOLLEFSON. And if the *America* were replaced by a duplicate of the *United States*, that ship would probably be designed to be easily convertible to a troop ship, too?

Mr. MORSE. It would be built for that purpose.

Mr. TOLLEFSON. In other words, even the cabins would have to be designed for easy convertibility?

Mr. MORSE. That was done on the *United States* and it would be done on the replacement of the *America* if a duplicate were used.

Mr. TOLLEFSON. The cost of that feature would be difficult to ascertain, would it not?

Mr. MORSE. I don't think so. I think the architects can compute those items.

Mr. TOLLEFSON. As I recall it, there was some dispute with respect to the defense features, the costs on some of these vessels. It seemed to me that one of the most difficult things to ascertain would be the defense features in the design of cabins. However, that is not important.

You say that that can be ascertained fairly definitely?

Mr. MORSE. I believe it can; yes, sir.

Mr. TOLLEFSON. I think that is all, Mr. Chairman.

The CHAIRMAN. Mr. Robeson?

Mr. ROBESON. I have no questions.

The CHAIRMAN. Mr. Allen?

Mr. ALLEN. Mr. Morse, could you tell us the age of the oldest ships in the laid-up fleet?

Mr. MORSE. No; but we will supply that for the record, sir.

Mr. ALLEN. Would it be quite a bit older than 20 years?

Mr. MORSE. Oh, yes; we have passenger ships there that are in the neighborhood of 40 years of age.

Mr. ALLEN. They are potentially useful, I guess, in the case of an extreme emergency?

Mr. MORSE. Yes, sir.

Mr. ALLEN. It would follow, then, that the *America* in the laid-up fleet would be useful for a period of 10 or 20 years if broken out again?

Mr. MORSE. Yes, sir.

Mr. ALLEN. Could you tell us the speed of the best of the passenger ships in the laid-up fleet?

Mr. MORSE. No; but I think what I should do is submit to the committee a list of what passenger ships we have and what their service speeds and ages are.

(The information referred to follows:)

*Vessels in the reserve fleet with accommodations for troops (not including military attack ships or Liberty troopers) Oct. 15, 1956*

OVERAGE PASSENGER SHIPS

| Name | Fleet | Year built | Speed |
|---|---|---|---|
| Washington | Hudson River | 1933 | 20.5 |
| Bowditch | James River | 1929 | 11.5 |
| Nourmahal | do | 1928 | 13.7 |
| Thomas H. Barry | do | 1930 | 18.0 |
| Uruguay | do | 1928 | 18.5 |
| Willard A. Holbrook | do | 1921 | 16.0 |
| Rescue | Olympia | 1932 | 19.0 |

OVERAGE PASSENGER SHIPS NOMINATED FOR SCRAPPING

| | | | |
|---|---|---|---|
| Edmund B. Alexander | Hudson River | 1905 | 16.5 |
| President Tyler | do | 1920 | 13.5 |
| Algonquin | James River | 1926 | 14.5 |
| Charles A. Stafford | do | 1918 | 16.0 |
| Ernest Hinds | do | 1918 | 13.0 |
| Etolin | do | 1913 | 14.0 |
| Heywood | do | 1919 | 16.4 |
| Neville | do | 1918 | 16.4 |
| St. Mihiel | do | 1920 | 13.5 |
| William P. Biddle | do | 1919 | 16.4 |
| Ernestine Koranda | Astoria | 1919 | 13.0 |
| Louis A. Milne | do | 1919 | 12.0 |
| Thistle | do | 1921 | 15.0 |
| President Buchanan | Suisun Bay | 1920 | 13.5 |
| Chateau Thierry | Olympia | 1920 | 14.0 |
| Fuller | do | 1919 | 16.4 |
| William Ward Burrows | do | 1929 | 14.5 |

*Vessels in the reserve fleet with accommodations for troops (not including military attack ships or Liberty troopers) Oct. 15, 1956*—Continued

C4 SHIPS—TROOPER

| Name | Fleet | Year built | Speed |
|---|---|---|---|
| Marine Swallow | Hudson River | 1945 | 17.0 |
| General Omar Bundy | James River | 1944 | 17.0 |
| General G. O. Squier | do | 1943 | 17.0 |
| General J. R. Brooke | do | 1943 | 17.0 |
| Ernie Pyle | do | | |
| Marine Falcon | do | 1945 | 17.0 |
| Marine Flasher | do | 1945 | 17.0 |
| Marine Juniper | do | 1945 | 17.0 |
| Marine Marlin | do | 1945 | 17.0 |
| Marine Perch | do | 1945 | 17.0 |
| Marine Shark | do | 1945 | 17.0 |
| Marine Tiger | do | 1945 | 17.0 |
| Marine Raven | do | 1944 | 17.0 |
| General A. W. Brewster | Suisun Bay | 1945 | 17.0 |
| General O. H. Ernst | do | 1944 | 17.0 |
| General W. M. Black | do | 1944 | 17.0 |
| Marine Cardinal | do | 1945 | 17.0 |
| Marine Devil | do | 1944 | 17.0 |
| Marine Dragon | do | 1944 | 17.0 |
| Marine Fox | do | 1945 | 17.0 |
| Marine Panther | do | 1944 | 17.0 |
| Marine Wolf | do | 1944 | 17.0 |
| General H. L. Scott | Olympia | 1944 | 17.0 |
| General T. H. Bliss | do | 1943 | 17.0 |
| Marine Serpent | do | 1945 | 17.0 |

NOTE.—In addition to the above there are 24 AP2 Victories, 18 C1 and 2 C2 with accommodations for troops.

Mr. ALLEN. It is probable, is it not, that the speed is less than the speed of the *America?*

Mr. MORSE. It would be in that neighborhood, not higher.

Mr. ALLEN. If the *America* were put in the laid-up fleet, would it be by far the best laid-up transport of an unconverted type in the fleet?

Mr. MORSE. Other than the war-built vessels, and there are some of those, it would be the best of the laid-up fleet.

Mr. ALLEN. Thank you.

Mr. MORSE. Of course, an operating vessel, you appreciate, is much more readily available and, for that reason, probably more desirable than a laid-up vessel. That would be the only advantage of foreign transfer, provided always, of course, that the vessel were assured to be available when we needed it.

Mr. ALLEN. I confess that I have never been able to figure out how you can be sure that a foreign-flag-operated vessel is going to be returned, but I do not think we need to go into that here.

Mr. MORSE. We would not approve transfer to any purchaser which would be unacceptable to the Defense Department to begin with. It would be a member of the NATO pool undoubtedly.

Mr. ALLEN. Thank you.

The CHAIRMAN. Mr. Miller?

Mr. MILLER. Mr. Morse, have you ever considered turning her into a cabin-class ship, to operate her as a one-class ship?

Mr. MORSE. She is close to 20 years old and, under the 1936 act, we cannot continue to pay subsidy beyond her 20th year unless special waivers were granted.

Mr. MILLER. If she had a lot of life in her I think that would be possible.

Mr. MORSE. I am just guessing, but I think that the cost of conversion of a vessel of this age and economics would not be feasible.

Mr. MILLER. I feel that sooner or later we are going to have to have American-flag ships of cabin class, one-class type. We will be forced into it and you would not have to do too much to this vessel to make her into a one-class ship.

Mr. MORSE. I would like to check with Mr. McMullen as to what he would estimate it would cost to convert these ships. You will remember that the Mariners that are being converted are first class, but I think the estimates for converting the Mariner for the single-class ship for Bernstein range anywhere from $11 million to $15 million or $16 million, so that obviously it would be substantially more to convert this ship, being much larger.

Mr. MILLER. That is all. May I suggest that, without going to too much trouble, you perhaps take a look at the possibility of putting her in as a single-class ship.

Mr. MORSE. We will be glad to do that.

Mr. MILLER. Make just a cursory study. Thank you.

The CHAIRMAN. Mr. Seely-Brown.

Mr. SEELY-BROWN. I have one question, sir. That is, is it your judgment that a duplicate ship will be sufficiently modern to meet new conditions and possible new demands? Is it to our advantage to build an exact duplicate?

Mr. MORSE. I think it is in all respects. She is the most advanced ship that is sailing today. I think there would be very few, if any, modifications that would be made if they started from scratch to build the finest ship they could build.

Mr. SEELY-BROWN. Thank you.

The CHAIRMAN. Mr. Byrne?

Mr. BYRNE. I have no questions.

The CHAIRMAN. Mr. Van Pelt.

Mr. VAN PELT. Is the new ship being built able to make the transit of the Panama Canal?

Mr. MORSE. Yes. This ship can transit the canal and the duplicate, obviously, will be able to do so also.

The CHAIRMAN. Mr. Zelenko.

Mr. ZELENKO. I have no questions.

The CHAIRMAN. Mr. Dingell?

Mr. DINGELL. I have no questions.

The CHAIRMAN. Mr. Mailliard?

Mr. MAILLIARD. Mr. Morse, going back to this question which Mr. Miller raised, this ship was ready to go into passenger service and actually did make one trip before she was converted to war use; is that right?

Mr. MORSE. I would have to ask General Franklin.

## STATEMENT OF MAJ. GEN. JOHN M. FRANKLIN, PRESIDENT, UNITED STATES LINES

Mr. FRANKLIN. No, sir; she never went foreign. When she came out in 1940 the Neutrality Act was in force and we used her on a couple of cruises out on the Pacific coast and some cruises to the West Indies, but she never went foreign prior to the war.

Mr. MAILLIARD. The point I was trying to make is that then she was converted to a troop transport for a period of about 5 years, whereupon she was then reconverted to commercial service?

Mr. MORSE. That is right.

Mr. MAILLIARD. At the time she was reconverted after the war, was there any substantial modernization or was this just a superficial conversion?

Mr. MORSE. Perhaps General Franklin can better answer that. I have not checked the records. I would be glad to do that.

Mr. MAILLIARD. General Franklin will testify and we can raise the point. I do not want to prolong this, but the point I am getting to is this: Would she properly have added life because of the fact that she was reconverted some 5 or 6 years after she was built? This is again Mr. Miller's point, that perhaps she may not be suitable for this blue-ribbon operation, but it seems to me that, having received a reconversion and I imagine quite a substantial one in which I would guess there might have been some modernization also, that she might still have a valuable economic life in something less than the blue-ribbon trade?

Mr. MORSE. She is obviously not worn out as an operating vessel. She is not an economical vessel, even in the first-class trade transatlantic, and I find it difficult to conceive that she would be a profitable vessel operating in a trade where the passenger fares were lower than they are on transatlantic.

Now, it is possible that you could convert it, and we would be glad to check that out, Mr. Miller, to put on a very substantially greater number of passengers. We will check out the feasibility of that.

Mr. MAILLIARD. It would seem to me that this is something to be looked at as to whether the ratio of passengers to crew on that kind of trade might be different. Certainly, its possibility, I do not think, should be overlooked.

That is all.

Mr. MILLER. You say it might be cheaper than just putting her in the reserve fleet?

Mr. MORSE. It might be.

The CHAIRMAN. Counsel.

Mr. DREWRY. Mr. Morse, in this tabulation you show total arrivals and departures—northern Europe, 631,466 for all ships during 1955. How many of them were carried by the *United States* during that period? Do you know?

Mr. MORSE. I have a tabulation showing the carrying of the steamship *United States*, but I did not bring it with me. I would be glad to supply that for the record. General Franklin has that.

Mr. DREWRY. Can you answer that, General?

Mr. FRANKLIN. We have it. Do you want us to answer it now?

Mr. DREWRY. I would appreciate it if you would, or even if you want to give it to me approximately it would do.

Mr. FRANKLIN. What is exactly the question?

Mr. DREWRY. How many passengers, including the arrivals and departures, were carried on the steamship *United States* during 1955?

Mr. MORSE. I think I can answer that, at least from a press release issued by United States Lines. I find that I did have this with me. In 1955 the *United States* made a total of 44 crossings, 22 eastbound and 22 westbound. These carried an average of 1,593 passengers per sailing eastbound and westbound, which represents better than 95 percent utilization year-round of its normal passenger capacity. In other words, they have additional bunks, 3 in a cabin for example, so that

their average is about 90 percent of their maximum capacity and about 95 percent utilization of their normal capacity.

Mr. FRANKLIN. That is 68,000 total.

Mr. MORSE. 68,000 total carried, in round figures.

Mr. DREWRY. That would be a little better than 10 percent of the total carrying. What are the speeds of the other ships that were carrying the balance of the passenger trade?

Mr. MORSE. I have not checked that.

Mr. DREWRY. They are all less, are they not?

Mr. MORSE. Yes. The *Queens* are in the neighborhood of 28 or 29 knots.

Mr. DREWRY. What I am getting at is that you stated that they have been utilizing the vessel at a 30-knot speed on the average, approximately, and I query whether the fact that it is being used at 30 knots in any way takes away from its defense characteristics as to speed. The passenger business is obviously there judging from the fact that nearly 90 percent of the total passenger traffic is being carried in vessels of lower speed. So, is the utilization of the vessel at 30 knots necessarily an indication that that is solely a commercial utilization requirement in the ship?

Mr. MORSE. Well, there are several answers. We have only the two ships, as I recall, in the transatlantic run in comparison with many foreign-flag ships. That, in part, accounts for roughly 90 percent being carried by foreign flag and 10 percent by the United States.

Mr. DREWRY. But they are being carried at the lower speeds.

Mr. MORSE. I am not clear in my mind whether you are suggesting that the speed of 26 or 28 knots is a commercial speed rather than the 30-knot speed.

Mr. DREWRY. The thought that is running through my mind is that we build a ship like the *United States* because we need her for defense purposes and we run her at 30 knots because we can run her at 30 knots.

Mr. MORSE. We can run her at higher speeds than that, but they run her at that speed to maintain a weekly schedule.

Mr. DREWRY. Nevertheless, that 30 knots, even though they are maintaining a weekly schedule, provides a valuable defense unit from the standpoint of speed. Therefore, isn't there a sharing of that speed from a commercial and defense standpoint?

Mr. MORSE. Yes and no. When they use a ship at 30 knots they are using it for commercial purposes. I do not think the Government should pick up any portion of the speed at which they are using it for commercial purposes.

Mr. DREWRY. That is where we are. I was raising that question because obviously, as far as carrying passengers back and forth across the Atlantic, ships of slower speed are doing it and the demand is great and apparently rising. The fact that this ship is used at a higher speed and to maintain a schedule does not in any way detract from the fact that a 30-knot ship is a highly valuable defense unit.

Mr. MORSE. No, of course not.

Mr. DREWRY. And there could be some question as to whether there should be some sharing of that speed from somewhere even lower than 30 knots up to the 30 knots at which they use it.

Mr. MORSE. There is no question in my mind that we should not.

Mr. ZELENKO. Mr. Chairman.

Mr. CHAIRMAN. Mr. Zelenko.

Mr. ZELENKO. I noticed from the chart that you omitted some interesting figures. Between the years 1954 and 1955, the top column, I notice that the total arrivings and departures to all of Europe jumped from 820,000 to 822,000, but the rise was far greater on the United States-flag ships which jumped from 212,000 to 237,000, a far greater percentage in the overall picture; and the same is true of departures. There was a drop in all ships from 378,000 in 1954 to 370,000 in 1955 whereas on the United States-flag ships it jumped from 99,000 to 106,000. Whereas there was just an 11,000 increase on arrivals on all ships there was a 19,000 jump on American-flag ships. Was that due to the fact that more ships were in service or the fact that people were becoming cognizant that American-flag ships could give them a better ride, better service, and that it would be worthwhile to get on to American ships?

Mr. MORSE. I think it is an indication, at least in part, of the greater acceptance of the American-flag vessels for transportation.

Mr. ZELENKO. Was that not due in part to the fact that a liner like the *United States* is the foremost vessel in the world, and I speak from personal experience? Did that do a great deal toward making everybody cognizant of the fact that the American-flag ship can do a better job than the foreign-flag ships under similar circumstances?

Mr. MORSE. I think that is absolutely true. I think there is a lot of credit due labor and management on the operation of the *United States*.

Mr. ZELENKO. Is that not another reason why we should have another ship of that type?

Mr. MORSE. Absolutely.

The CHAIRMAN. Are there any further questions?

Thank you very much.

At this point in the record we will put in the passenger arrivals and departures statement.

Mr. MORSE. Thank you.

(The material referred to follows:)

*Passenger arrivals and departures by sea between the United States and European ports, calendar years 1953–55*

| | 1955 | 1954 | 1953 |
|---|---|---|---|
| Total arrivals and departures, all Europe: | | | |
| All ships | 822,719 | 820,248 | 767,086 |
| United States-flag ships | 237,791 | 212,968 | 209,775 |
| Departures: | | | |
| All ships | 370,191 | 378,528 | 360,371 |
| United States-flag ships | 106,162 | 99,449 | 102,563 |
| Arrivals: | | | |
| All ships | 452,528 | 441,720 | 406,715 |
| United States flag-ships | 131,629 | 113,519 | 107,212 |
| Total arrivals and departures, northern Europe: [1] | | | |
| All ships | 631,466 | 661,233 | 623,014 |
| United States-flag ships | 187,293 | 165,466 | 158,417 |
| Departures: [1] | | | |
| All ships | 291,157 | 312,496 | 293,350 |
| United States-flag ships | 83,154 | 79,423 | 78,452 |
| Arrivals: [1] | | | |
| All ships | 340,309 | 348,737 | 329,664 |
| United States-flag ships | 104,139 | 86,043 | 79,965 |

[1] Excludes Greece, Italy, Portugal, Spain, all other.

Source: U. S. Department of Justice, Immigration and Naturalization Service.

*Passenger arrivals and departures by air between the United States and Europe, calendar years 1953–55*

| | 1955 | 1954 | 1953 |
|---|---|---|---|
| Total arrivals and departures, all Europe: | | | |
| Departures | 373,585 | 290,826 | 245,037 |
| Arrivals | 434,797 | 333,082 | 287,082 |
| Total arrivals and departures, northern Europe: [1] | | | |
| Departures [1] | 311,591 | 239,755 | 206,016 |
| Arrivals [1] | 362,114 | 274,625 | 242,944 |

[1] Excludes Greece, Italy, Portgual, Spain, all other.

Source: U. S. Department of Justice, Immigration and Naturalization Service.

The CHAIRMAN. The next witness is Admiral Mumma.

## STATEMENTS OF REAR ADM. A. G. MUMMA, UNITED STATES NAVY, COORDINATOR OF SHIPBUILDING, CONVERSION, AND REPAIR, DEPARTMENT OF DEFENSE, AND CHIEF, BUREAU OF SHIPS, UNITED STATES NAVY; REAR ADM. A. M. MORGAN, ASSISTANT CHIEF, BUREAU OF SHIPS FOR SHIP DESIGN AND RESEARCH, DEPARTMENT OF THE NAVY; AND CAPT. W. W. OUTERBRIDGE, HEAD, TRANSPORTATION AND PETROLEUM BRANCH, LOGISTICS PLANNING DIVISION, OFFICE OF THE CHIEF OF NAVAL OPERATIONS

Admiral MUMMA. Mr. Chairman, I am Rear Adm. Albert G. Mumma, Coordinator of Shipbuilding, Conversion, and Repair for the Department of Defense, and Chief of the Bureau of Ships. I have with me Admiral Morgan, who is our Assistant Chief of Bureau for Design and Research.

I have a prepared statement, Mr. Chairman, which I would like to read.

Prior to entering into any subsidy agreement for the construction of a passenger liner to replace the steamship *America*, the Maritime Administration, in accordance with requirements of the Merchant Marine Act of 1936, as amended, would submit the plans and specifications to the Navy Department for approval, and would request our suggestions as to changes necessary for the economical and speedy conversion of this ship into a naval or military auxiliary. Maritime would, in addition, request the Navy's comments as to features which would enhance the military effectiveness of this vessel in wartime. At the present time, of course, no proposed plans and specifications have been submitted to the Navy Department, and, consequently, we are not prepared to comment on the probable national-defense features of such a ship.

Based upon the assumption, however, that the replacement vessel for the steamship *America* would be similar to the steamship *United States*, I am of the opinion that the Navy would, in all likelihood, recommend that essentially the same national-defense features be incorporated in this replacement ship as were included in the *United States*, provided such features were excess to commercial requirements. As you know, the performance of the *United States* has fully demonstrated not only her worth as a passenger liner but also her potential usefulness as a naval auxiliary.

The features of the steamship *United States* which were considered to be excess to commercial requirements and which were certified by the Navy Department as national-defense features can be generally characterized as improvements in speed, radius of action, capacity, and safety. These features greatly enhanced the value of this ship as a military or naval auxiliary.

For protection against attack and to achieve maximum effectiveness in transportation of troops, it is essential, of course, that any passenger ship intended to be used as a troop carrier in wartime should have a reserve speed substantially above that normally required for commercial needs. Likewise, additional fuel capacity is necessary to increase the cruising range. These are defense features of the *United States*.

There was also incorporated in the *United States* increased deadweight capacity to accommodate a large number of troops and their equipment and to provide them with necessary services. This involved an increased capacity in the distilling plant, refrigerated stores, and electric-generating plant, and many other features as well.

Vulnerability to hazards of the enemy and the sea was reduced and overall safety improved by providing for a high standard of compartmentation, thus insuring a substantial margin of buoyancy. Lifeboat rearrangements were made to permit ready conversion to wartime use without modification of existing davits. Other rearrangements provided increased fire and shock resistance and reduced the possibility of damage to essential machinery by enemy attack.

The features I have just described were the chief items certified as national defense features. They were considered to be in excess of commercial requirements and were considered to enhance the value of this ship as a naval or military auxiliary, besides reducing the work, cost and time for conversion of this ship into such an auxiliary in event of a national emergency. These features were closely integrated into the basic design of the ship which, when completed, represented the best example of a combined passenger ship and troop transport yet designed.

That completes the statement, unless there are questions, sir.

The CHAIRMAN. Admiral, as you understand, we have no bill before us. We have no legislation before us.

What we are attempting to develop is what interest the Defense Department would have in the duplicate ship to replace the *America*. Have you stated that?

Admiral MUMMA. Not completely.

We have Captain Outerbridge here from the Chief of Naval Operations Office, and I would like him to come forward and possibly take the chair and read into the record that part of the statement of the Chief of Naval Operations' interest in this ship which bears on your question.

The CHAIRMAN. In connection with that, we would also like to have your observations on the problem we have with the *America* when and if we enter the field of negotiating for the replacement of the *America*, the utilization of the ship, what advantage it could best serve.

Admiral MUMMA. Would you proceed on answering that question, please, Captain?

Captain OUTERBRIDGE. Mr. Chairman, may I read this statement?

The CHAIRMAN. Yes.

Captain OUTERBRIDGE. This statement has been modified from the one which I submitted. Some of this area has been covered but I will read the pertinent parts.

The CHAIRMAN. It was covered when?

Captain OUTERBRIDGE. Mr. Morse covered the disposition of the ships.

The CHAIRMAN. Yes.

Captain OUTERBRIDGE. My name is William W. Outerbridge. I am Head, Transportation and Petroleum Branch in the Logistics Planning Division in the Office of the Chief of Naval Operations, Department of the Navy.

I would like to acquaint the committee with the national defense aspects of a proposed ship as a replacement for the steamship *America*. If it is assumed that the commercial requirements for the North Atlantic run will justify a ship capable of a speed of about 30 knots, it seems to follow that consideration is really being given to another ship of the steamship *United States* class. The construction of this ship will (1) help to relieve the block obsolescence in transport vessels. There are some 24 Victory-type transport vessels in the national defense reserve fleet whose deficiencies in speed and safety cannot be overcome economically; (2) give the *United States* a capability for delivering 308,000 troops to Europe in a year as compared to the capability of the steamship *America* to deliver 124,000 troops per year or to the capability of a Victory-type transport to deliver 20,000 troops per year in convoy; and (3) provide a greater measure of safety to the troops carried against submarine and air attack because of its very high speed and the inherent flexibility in its use. It can be routed singly and independently of other vessels or escorts.

The additional capability combined with the increased safety of the high speed transit which would result from having another *United States*-class ship in operation is obvious. The Navy will support the construction of a ship similar to the steamship *United States* as being essential to the national defense.

The question of ultimate disposition of the steamship *America* has been covered by Mr. Morse. The Department of the Navy would not oppose the sale of this vessel to a NATO ally or to a country where effective control may be exercised.

Consideration of disposal foreign would have to be carefully reviewed at the time, on the basis of the merits of the case.

The CHAIRMAN. Would you attempt now in case of emergency to use the Victory-type transport, with the advancements that aviation and other things have made?

Captain OUTERBRIDGE. I think we would have to use that. If we had to take troops overseas, we would have to do that and the faster she would go the safer they would be. She could make a land call at night and discharge by morning and be clear of submarine and air menace by the middle of the day.

The CHAIRMAN. Would the *America* be more valuable to you in the reserve fleet, taking into consideration its carrying capacity and the carrying capacity of the Victory-type?

Captain OUTERBRIDGE. Well, I think that question has several aspects. We, of course, want the *America* available, but whether or not

it would be to the best interests of the Government to keep her in the reserve fleet or to operate has as a one-class ship or to sell her foreign is really not for our decision. We want her to be available in case of emergency and we would use her as an administrative loaded transport. In other words, we would not want to convert her to a combat loaded ship because she would not fit into any organization and she has too much value in the increased speed. She can make more than 20 knots. She can steam independently and we can run her on her own schedule.

The CHAIRMAN. In comparison, what will be the difference of the value of the *America* compared to one of the mariner type ships that you are now proposing to take from the merchant marine fleet and convert to carriers?

Captain OUTERBRIDGE. Sir, those mariners are part of a balanced amphibious force lift, and we are designing that on a 20-knot capability. Those mariners will fit into that very well and they will be modified so that they will carry their own boats and can be modified much more readily than a ship of the type of the *America*.

The CHAIRMAN. The committee is interested in the appropriations and the fact that Defense can get money more easily from the Appropriations Committee than can the merchant marine. The moneys appropriated for these mariners were originally appropriated for the American merchant marine with defense features. Is it just fair that Defense should come in and take away the purpose for which these ships were constructed in peacetime and put them as an asset to your fleet when it did not cost you any money, you did not make any appearance to get them? Is that a fair procedure?

Captain OUTERBRIDGE. Mr. Bonner, I have heard and I know we are right in the middle of that now, and I am sure that Mr. Morse can answer that.

The CHAIRMAN. You mean that is a policy which is higher than your level?

Captain OUTERBRIDGE. Yes, sir; and we are working on that problem now and Admiral Good was with Mr. Morse last night until 6 o'clock with representatives of the ship lines and I would prefer not to answer that question.

The CHAIRMAN. I do not want to embarrass you.

Captain OUTERBRIDGE. I know it is coming to you, sir.

The CHAIRMAN. We in this committee who are charged with the responsibility of carrying this end of the load, knowing the ease with which you come in and get everything you want and that when we try to build up the American merchant marine we have every stumblingblock in the world thrown before us, take an opportunity to get you in the place where you would rather not answer the question.

Captain OUTERBRIDGE. I am not sure about the ease with which we get the money.

The CHAIRMAN. Could Admiral Mumma help you out?

Captain OUTERBRIDGE. Mr. Morse could probably help me out more than anybody else if he would talk to that question.

The CHAIRMAN. But if you were in the position of making that last request for appropriations you would be rather embarrassed here today, would you?

Captain OUTERBRIDGE. No, sir; because I think the progress is coming along satisfactorily and Mr. Morse held a good hearing last night

of representatives of the Pacific Far East and Matson Line with Admiral Good, and I think that we are going very slowly on this matter, and I would prefer that Mr. Morse would speak to it if he cares to do so.

The CHAIRMAN. This committee and I and all the Members of Congress admire you gentlemen in your earnestness in getting everything in the world for the national defense. That is the reason we wonder whether you are not just stepping a little too far in taking milk from people that cannot get these things as easily as you get them.

Captain OUTERBRIDGE. You know as we lay our cards on the table that the final decision is going to be up to you, sir.

The CHAIRMAN. There will arise a problem as to the *America*, and it is an economic problem to the commercial interests that try to operate the replacement. It is fair and proper to explore all opportunities to use her true value against what would be her book value when she comes into the position as Mr. Morse has described.

Captain OUTERBRIDGE. That is right, sir.

The CHAIRMAN. We were trying to get a little help from you.

Captain OUTERBRIDGE. I am sorry that I couldn't give you any more help than that, sir. I am not too qualified to get into the Mariner deal.

The CHAIRMAN. She has more speed than the Mariner?

Captain OUTERBRIDGE. She operates at 22 knots.

The CHAIRMAN. She can carry how many more troops?

Captain OUTERBRIDGE. They will carry 7,700 troops.

The CHAIRMAN. You said she would be worth three Mariners to you.

Captain OUTERBRIDGE. Administratively loaded.

Admiral MUMMA. I think we had better distinguish between the two kinds of loading. One is a troop lift of people from one spot to another spot where we have complete control. The other is a combat loaded ship which is loaded with all the gear and assault equipment to actually take a place, to land over the beaches, so that the mariners are not being fitted for this kind of administrative load from one spot to another spot where we have complete control of all the facilities.

The CHAIRMAN. How much difference would there be in converting the mariner as compared to converting the *America?*

Admiral MUMMA. We frankly do not feel that the *America* at the present time is as advantageous a ship for conversion to this kind of loading as we think the mariners are, of course.

The CHAIRMAN. They gained in value since they were so criticized at one time. Why did the Navy not build a few mariners?

Admiral MUMMA. The Navy was extremely interested in the mariners, as you well know, sir, and backed the building of the mariners; and we have been building the more highly specialized types of ships like AF's and AE's under our own funds and have not been converting mariners to that use; but it was originally conceived, I believe, that it would be better for the Maritime Administration to build the ships which were more closely akin to commercial service.

The CHAIRMAN. I realize that.

Admiral MUMMA. I am sure you remember that background.

The CHAIRMAN. Mr. Tollefson?

Mr. TOLLEFSON. Well, at the outset I think everybody on our committee is grateful to the Defense Department and to the Navy for the help that they have given to us in connection with our projects.

I will ask this question of both of you. Do you have the figures available with respect to the number of troops that were carried by the Queens during World War II, the number of American troops carried by the Queens during World War II?

Admiral MUMMA. I do not believe we have them with us. We will furnish them to you; yes, sir. I think they are available.

(The information referred to follows:)

Information available to the Navy discloses that a total of 1,017,805 passengers, of which 938,201 were United States Army personnel, were transported by these 2 ships on the North Atlantic during World War II.

Mr. TOLLEFSON. I assumed that they were available. Can you also supply what would be the cost to us of the use of the Queens for carrying United States troops? I appreciate that you run into some difficulty there. The English say that we did not pay anything, that this was a pooling effort; but they did some bookkeeping along the line and, as I recall it, in the balancing off or the canceling off it seems to me the figure, $100 per troop, was the figure used for the cost of carrying troops, as I recall the figures.

Admiral MUMMA. Reverse lend lease.

Mr. TOLLEFSON. Then, if one of the Queens carried 10,000 American troops, that meant that it cost Uncle Sam in the balancing off process $1 million a trip for the use of one Queen, and, if you could supply those figures, we would appreciate it very much.

Admiral MUMMA. We will look them up and supply them if they are available.

The CHAIRMAN. Is that correct?

Admiral MUMMA. I cannot verify those figures.

The CHAIRMAN. Is it approximately correct?

Admiral MUMMA. It sounds reasonable to me.

The CHAIRMAN. We paid a million dollars a voyage.

(The following information was subsequently supplied by the Navy's Bureau of Ships:)

The expense of transporting military personnel in these two ships was covered generally under lend-lease and reciprocal aid (reverse lend-lease) agreements. Actual payments were not made, but it is understood that, in settling lend-lease accounts, an offset figure of 20 pounds, or $80 per man, was established, on the basis of a 15-day round trip.

Mr. TOLLEFSON. Now then, you would recommend that the *America* be replaced with a ship of the class of the steamship *United States* for a variety of reasons, all of which amount to national-defense reasons. You prefer it because of the speed factor, for one thing.

Admiral MUMMA. Yes, sir.

Mr. TOLLEFSON. When you are talking about the speed of a possible troop carrier, you had in mind the safety factor as far as submarine attack is concerned?

Admiral MUMMA. That is correct. That is an important factor.

Mr. TOLLEFSON. Now, is it not true that the Russians have at this point 6 or 7 times as many submarines on hand as the Germans had on hand at the outbreak of World War II?

Admiral MUMMA. That is true, Mr. Tollefson.

Mr. TOLLEFSON. Is it safe to say that a good many of those submarines are faster and better submarines than the Germans had at the outbreak of World War II?

Admiral MUMMA. Yes; and in addition a high percentage of them are equipped with snorkel which makes them a more difficult submarine to locate.

Mr. TOLLEFSON. You have mentioned the fact that a ship of this type could operate independently and would not have to travel in convoy because it is fast.

Admiral MUMMA. That is the current situation; yes, sir.

Mr. TOLLEFSON. The testimony was that you would not object to the transfer of the *America* to some NATO organization. Now I want to read an excerpt from a statement of Rear Admiral Wilson made before a congressional committee about 3 years ago ,and I would like this to go into the record, quoting from Admiral Wilson:

I think we would be on a foundation of sand if we relied on * * * shipping assistance from our NATO allies very extensively. It is one reason for the opinion of the Department of Defense that we should rely primarily and basically on a United States-flag merchant marine for the defense of the United States.

I think our best statement is that the ideal situation would be where each of the Allies in any joint military undertaking was fully competent and capable to supply the logistics of its own forces. To that extent, in a joint operation, you would certainly pool your shipping efforts. But for us to depend on foreign shipping to provide our logistics would be a very weak reed to lean on.

Do you concur in that statement?

Captain OUTERBRIDGE. That is still a good statement.

Mr. TOLLEFSON. You would not object to the *America* being transferred to a NATO nation but at the same time you would concur in Admiral Wilson's statement that we ought to rely on our own shipping to supply our logistics?

Captain OUTERBRIDGE. Yes, sir. As far as we can afford it we should do it.

Mr. TOLLEFSON. Is it not a fact that, as far as the Defense Department is concerned, it takes the position that we are short about 15 passenger ships?

Captain OUTERBRIDGE. Yes, sir.

Mr. TOLLEFSON. Taking into consideration the vessels we presently have in the reserve fleet and in the active fleet, we are still short?

Captain OUTERBRIDGE. We are still short.

Mr. TOLLEFSON. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Robeson.

Mr. ROBESON. I have no questions.

The CHAIRMAN. Mr. Allen?

Mr. ALLEN. Mr. Chairman.

Admiral, in the last sentence of your statement:

These features were closely integrated into the basic design of the ship which, when completed, represented the best example of a combined passenger ship and troop transport yet designed—

if another ship were built to the same plans and specifications, would the statement still be true?

Admiral MUMMA. I think the basic fundamentals of the design are still valid. In other words, there might be some marginal changes that we might want to incorporate, but I do not believe a radical redesign of the ship would be required.

Mr. ALLEN. Captain Outerbridge, you said that another *United States* would—

give the United States a capability for delivering 308,000 troops to Europe in a year.

Has experience shown that you could use two such vessels?

Captain OUTERBRIDGE. Use two?

Mr. ALLEN. Yes.

Captain OUTERBRIDGE. Yes. I think we can use all we can get. We have to transport troops as fast as we can get them there during war, and we might lose one of these ships. The Department of Defense would never turn down a ship if they could get it to transport troops.

Mr. ALLEN. Would it be true, however, that if another emergency paralleling in severity the last one occurred two steamships *United States* would be useful at all times.

Captain OUTERBRIDGE. Oh, yes.

Mr. ALLEN. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Byrne.

Mr. BYRNE. I have no questions.

The CHAIRMAN. Mr. Seely-Brown.

Mr. SEELY-BROWN. I just want to make sure that we are completely clear by repeating in a way the question that Mr. Allen asked because it is a question which undoubtedly will come up before any appropriation is granted.

In view of the millions of dollars of the taxpayer's money that will go into this program if it is accepted, you are completely convinced in your own mind that a duplicate ship, with small modifications, will be sufficiently modern to meet the needs?

Admiral MUMMA. I had better answer that question somewhat categorically, Mr. Seely-Brown, because of the fact that in our naval ship programs where we have a carrier in one year and then we have another carrier in the following year, those two carriers are never identical because there are desirable changes that are incorporated within the same general configuration of the ship. We call them all *Forrestal* class ships now, but the *Saratoga* and the *Forrestal*, although completed about a year apart, are not identical and they have improvements.

Mr. SEELY-BROWN. The difference in cost of those is approximately what?

Admiral MUMMA. The difference in cost is almost insignificant.

Mr. SEELY-BROWN. That is what I was wanting to get.

Admiral MUMMA. That is the point. There are developments of design with the advancement of the art, and I am certain that some of those things will be incorporated automatically into the *United States* replica as the ship develops. We have used the same contract plans and specifications for several of our carriers, and then we come to a point where the changes are such that we put out a new set of contract plans and specifications. I am pretty certain that there would be some changes in the contract plans and specifications for this repeat ship, but I do not think it would require any complete redrawing of plans or any complete additional cost for complete plans and specifications.

Mr. SEELY-BROWN. I have one other question. Would the construction of a duplicate ship with the modifications which you so well expressed give a competitive advantage possibly to the shipyard that built the first one, or do you think any shipyard could bid competitively on an item like that?

Admiral MUMMA. We have had experiences that show that a builder of a first ship has an advantage on the second, and we have also had experiences which negate that same principle where another company that is a little more competitively minded will go in and take it away from a group that is supposedly well entrenched; so that, we find that it is entirely on the competitive aspects of the job, and I would hope and suspect that we would get very good competitive bids on such a ship so that the price would be kept as low as possible.

Mr. SEELY-BROWN. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Byrne.

Mr. BYRNE. I have no questions.

The CHAIRMAN. Mr. Van Pelt?

Mr. VAN PELT. I have no questions.

The CHAIRMAN. Mr. Mailliard?

Mr. MAILLIARD. Captain Outerbridge said something that I am beginning to wonder about. You compare another *United States* with the *America* in troop delivering capacity on the assumption that the *America* would be able to travel independently. Do you really believe that by 1960 you are going to be able to operate a 22-knot ship operating independently?

Captain OUTERBRIDGE. That is a hard question to answer. If you had 50 or 60 submarines out there, you would not want to go out and try to get through them. You have to obtain some measure of security before you send out a ship with 7,000 lives aboard. You have to feel that that ship will get through, taking into consideration the speed, the air protection that you give her, the patrol that you give her, and any other safety factor that you can add in because it would be murder to send a ship like that loaded with 7,000 troops out into a submarine infested water with the type of submarines they have today.

Mr. MAILLIARD. Would it not be a fair statement to say that it is doubtful that by 1960 a 22-knot ship is going to be operating independently?

Captain OUTERBRIDGE. Suppose we obtained control of the sea. Suppose we fight for it and get it. That is the time to use that ship. Otherwise we lose.

Mr. MAILLIARD. If that is true, you can send a 20-knot ship independently?

Captain OUTERBRIDGE. Not quite that. We do not get complete control. You take a calculated risk as you did in the last war.

Mr. MAILLIARD. What I am trying to do is to evaluate the relative merits. It seems to me that the value of a second *United States* as against an *America* is going to be very much more vital a few years hence, as far as one can reasonably see, than it is today. Is that a fair statement?

Captain OUTERBRIDGE. Yes, sir. I agree.

Admiral MUMMA. Putting it in other words, Mr. Mailliard, I would suspect that we are in a position where not only is the troop lift a factor of more than two greater, but that the additional safety is an immeasurable factor greater just due to the inherent speed of the ship; so that we have many, many factors of improvement over the *America* in the repeat *United States* as a troop carrier.

Mr. MAILLIARD. That additional value is likely to become more important as the years go by rather than less.

Admiral MUMMA. Yes, because there are limited capabilities at the present time in some of the submarine areas. As the submarine capabilities increase, the necessity for a ship like the *United States* will become even more important.

Mr. MAILLIARD. The second question I would like to ask Admiral Mumma is that the Navy, as I understand it, is in the process of experimenting with the possibility of atomic power for a carrier. So I have read in the newspapers at least.

As I understood it, the powerplant in the *United States* is quite comparable to the powerplant then being used in carriers.

If those two statements are not correct, would you correct me?

Admiral MUMMA. That is reasonably correct.

Mr. MAILLIARD. Then I think somewhere along the line the question is going to be raised as to the feasibility of considering atomic power for the *United States*.

Admiral MUMMA. If you are asking my personal opinion, I think it is a little early to consider atomic power for a *United States* because of the fact that the real advantage of atomic power at the present time is permitting a ship to stay at sea indefinitely, whereas the purpose of such a ship as the *United States* would be to go from one point to another point and discharge passengers and troops; so that, until you have economy sufficient in the nuclear powerplant to make it competitive with oil which you can either carry in the ship for such a definite length of voyage, or the ship can fuel at either end and thereby extend her period, it does not have the same urgency for such a ship as it has at the present time and it would not warrant paying the same premium that we now pay in cost of nuclear power for naval vessels of this extreme importance.

Mr. MAILLIARD. Then, if I understand you correctly, you are saying in the first place that the installation of atomic power would be vastly more expensive than the conventional-type propulsion machinery?

Admiral MUMMA. That is correct.

Mr. MAILLIARD. And, since the commercial use of the vessel presents no problem as to fuel and all, this would be of no commercial value?

Admiral MUMMA. That is correct.

Mr. MAILLIARD. So that, if you would consider this, it would have to be paid for as a defense feature?

Admiral MUMMA. Yes; I would suspect so.

Mr. MAILLIARD. You are saying in addition to that that, for the contemplated defense use of the vessel, it would not be worth paying that extra premium?

Admiral MUMMA. That is my own personal opinion; yes.

The CHAIRMAN. Mr. Zelenko?

Mr. ZELENKO. I have no questions.

The CHAIRMAN. Mr. Dingell?

Mr. DINGELL. I have no questions.

The CHAIRMAN. Mr. Dorn?

Mr. DORN. Admiral, someone said that the Navy felt that they needed as many of these duplicate *United States* ships as they could get. How many is that?

Admiral MUMMA. I would like to defer to the requirements side on numbers. I could give you an offhand opinion that, because of the shortage that has previously been mentioned in troop lift that we have in passenger-type vessels, we will have to use everything we

have so that the higher number of ships like the *United States* that we could have, the higher quality troop transport lift we would have, faster, safer, and so on, so that in time of war we would like dozens of such ships and we would then not have to use some of the marginal ships that we now have in the reserve fleet. Therefore, there is no firm, fixed dividing line as to where you can afford to go. We just could not afford to build enough *United States* types to make us happy in the military lift. I think that is a true statement.

Would you like to add anything to that, Captain?

Captain OUTERBRIDGE. No, sir. I think that is very well taken.

Mr. DORN. I have no further questions.

The CHAIRMAN. Mr. Tollefson?

Mr. TOLLEFSON. I had one question which I neglected to ask.

Is it not absolutely essential that, as far as our defense program is concerned, we have an adequate number of troop-carrying vessels in order to assure that any war we get into will be fought on some other soil than our own?

Admiral MUMMA. I feel that that is very vitally important, sir. That is the whole concept of our current naval strategy.

Mr. TOLLEFSON. If we do not have such troop lift, we are not going to be fighting the battle on somebody else's land. We will be fighting it at home.

Admiral MUMMA. Admiral Burke has made statements of this kind before many committees of Congress on several occasions.

Mr. TOLLEFSON. Thank you.

The CHAIRMAN. Mr. Robeson?

Mr. ROBESON. I would like to ask you: Isn't the factor to be considered in connection with the building of a vessel of the size of the *United States* that there are only a few yards presently capable of building it, and those same yards in an emergency would probably be required to build carriers or ships of that type so that the question is, Would it not be advantageous to proceed with building the necessary ships of this type ahead of the actual emergency for that and other reasons?

Admiral MUMMA. I would certainly concur, Mr. Robeson, because of the fact that a ship in being is something that you can count on, and we would much prefer to have this ship in existence before an emergency came because of the very difficulty there is of building things of that kind when you are trying to build combatant vessels in such a rush; so that your point is very well taken.

Mr. ROBESON. You would be faced then with having to choose where you would limit yourself in order to try to balance off, and either way you would be hurt.

Admiral MUMMA. Yes. The sooner we can get going and build such a ship as this the better off we would feel.

Mr. ROBESON. Then it would be built much more cheaply in the normal process of building than under a 7-day, 24-hour cost operation.

Admiral MUMMA. That is correct.

Mr. ROBESON. So that it would save the taxpayers a great deal of money if this type ship were built in so-called peacetime?

Admiral MUMMA. Yes, sir.

The CHAIRMAN. Admiral, I am interested in authorization legislation in appropriations bills, and this is probably the only opportunity

that I will have to ask you about this Public Law 637. Were you present when this authorization was put into the Defense Act of 1955?

Admiral MUMMA. I would like to have that clarified.

The CHAIRMAN. It is the authorization giving you the authority to take from Maritime such ships as you may desire from the reserve fleet.

Admiral MUMMA. No, I was not personally involved in that, sir.

The CHAIRMAN. Do you advocate the authorization such as this in appropriations acts?

Admiral MUMMA. I had better study it a little more before I give you an offhand answer to it, sir, beause I am not directly familiar with that point.

The CHAIRMAN. You realize that it is the responsibility of a legislative committee, and it concerns this committee very much to see the continued effort to legislate in Defense appropriations where it affects private industry. We are interested in the American merchant marine. It is our responsibility. So will you get the answer for this record as to who advocated this?

Admiral MUMMA. All right, sir.

(The information referred to follows:)

The provision authorizing the transfer of vessels without reimbursement among various Government departments originally appeared, in substantially the same form, in the act of July 16, 1946 (Public Law 515, 79th Cong.), otherwise known as the Military Appropriations Act of 1947 (60 Stat. 549). An examination of available legislative material fails to disclose just what Government department, if any, sponsored this provision. However, authority had existed during World War II for the acquisition by the Army, which was then engaged in ocean transportation of military cargoes, of vessels from various sources. The above-mentioned provision in the 1946 act was a logical extension of this wartime authority, and provided needed flexibility in the interchange of vessels among the several Government departments. The transfer provision in question has appeared in military appropriation acts since 1946.

The CHAIRMAN. Thank you very much.

Admiral MUMMA. Thank you, sir.

Mr. DINGELL. May I have just one question, Mr. Chairman?

The CHAIRMAN. Yes, sir.

Mr. DINGELL. Tell me this. We are going to take this one vessel, the *America*, out of movement when we construct the new sister ship for the *United States*. Are there any contemplated plans either for use of that vessel in the Navy or for placing it in the reserve fleet at the present time?

Admiral MUMMA. I do not believe that the Navy has any such considered plans at the presnt time. I would suspect that it will get a considerable amount of study from here on out to determine whether there is an optimum utilization of that ship both commercially and, of course, the Navy would be interested in having such a ship be operating. An operating ship is always in better condition and particularly if it is making a profit for its owners, than one that is laid up. It is more readily available and it has more potential use to the Navy.

Mr. DINGELL. Would the Navy contemplate using that as an active vessel by any chance?

Admiral MUMMA. I had better defer such a question to the Chief of Naval Operations, who determines such requirements.

Mr. DINGELL. He is not present.

Admiral MUMMA. They will be studying this. Captain Outerbridge is their representative and can insure that that point gets ade-

quate study in the intervening period of time to insure whether the Navy would or would not be interested in operation of the vessel itself.

Mr. DINGELL. You are familiar with this vessel, are you not?

Admiral MUMMA. Yes; not in detail, but I am familiar with their characteristics.

Mr. DINGELL. Would you say that it would be an economical vessel for the Navy to take over, speaking of the *America*, as a transport at this time?

Admiral MUMMA. I think that would require considerable study. I don't know the economics of the ship.

Mr. DINGELL. Has any thought been given to the possibility of laying this vessel up, and are you able to furnish this committee any answer at this time as to whether or not you would favor laying the *America* up when this new vessel is launched to replace it?

Admiral MUMMA. I think Captain Outerbridge has already stated that, if it were not in service, we would certainly recommend that it be laid up.

Mr. DINGELL. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. For the benefit of this record, would you furnish for the record the number and the value of ships that you have in the Navy laid-up fleet, and the types of ship, and their value?

Admiral MUMMA. Are you speaking of combatant types, Mr. Bonner?

Mr. TOLLEFSON. I would think yes.

The CHAIRMAN. State the value of all types of ships in type in your Naval Reserve Fleet for this record.

Admiral MUMMA. I would suggest that it might be wise not to put that list in the record, sir.

The CHAIRMAN. I will tell you why we are asking. Mr. Tollefson is the originator, and I agree with him on this. From time to time we are confronted with the reserve fleet of the merchant marine. The reserve fleet of the merchant marine has the same purpose as the reserve fleet of the Navy, so that we want to see if we some day can get a little comparison as to the cost. It is all for the same purpose.

Mr. SEELY-BROWN. Mr. Chairman, can I make a suggestion that, in view of what the admiral said, maybe that information could be made available for the committee privately. I assume that he hesitated to make it as a part of the public record.

Admiral MUMMA. If you would handle it in executive session in the committee, we would be perfectly sure of making it readily available.

The CHAIRMAN. I understand your position. We will have that some day in a private session.

Admiral MUMMA. Yes, sir.

The CHAIRMAN. Thank you very much, Admiral.

Admiral MUMMA. Thank you, sir.

## STATEMENT OF MAJ. GEN. JOHN M. FRANKLIN, PRESIDENT, UNITED STATES LINES—Resumed

The CHAIRMAN. General, the committee is very appreciative of your leaving your active life and coming down here. We know of your personal interest in that matter so we thought it best that we get some views on the subject from you, which views would be more to the point than those of any other person in the maritime industry.

Mr. FRANKLIN. Thank you, Mr. Chairman.

Thank you, Mr. Chairman and gentlemen, for the opportunity of appearing. I haven't any written statement. I think it might be wise if I just made a brief statement and then you gentlemen can ask me what questions you wish.

As you gentlemen all know, the United States Lines has run the steamship *United States* and the steamship *America* across the North Atlantic to Cobh, Southampton, Le Havre, and Bremerhaven. The *America* becomes 20 years of age in 1960. Therefore, it behooves us to consider what sort of replacement there should be for the *America*.

We have given the matter great thought and we are of the opinion that the best replacement for the *America* considering the national defense angle and to some extent the needs of the service is a sistership to the steamship *United States*.

We have studied at great lengths with Mr. Gibbs, our naval architect, the designer of the steamship *United States*, and with other technical gentlemen, the question of what improvements could be made in a new ship. We have come to the conclusion, and I am glad that Admiral Mumma and Admiral Morgan are here because they know a great deal more about this thing than I do, that at the present stage of the shipbuilding art we cannot design a ship from the point of view of hull lines and main and auxiliary machinery that will be an improvement on the steamship *United States*.

I absolutely agree with Admiral Mumma that there can be minor improvements. We will have a whole list of suggestions from Chief Engineer Kaiser and Commodore Anderson and some of the other people on this ship, but that is a good thing.

I absolutely agree with Mr. Morse's testimony as to how to proceed in the matter. The cost of drawing the plans of the steamship *United States* that were sent out to the shipyard in the bid that resulted in the building of the steamship *United States* was approximately $1 million. In our opinion, there can be a saving. Those plans are owned by the Government and by the United States Lines. In our opinion, there can be a saving in the fact that the detailed drawings and plans for the steamship *United States*, in most cases, will not have to be duplicated if a sister ship is built.

There is not the slightest doubt in my mind that shipbuilding costs are not going down. I think that the sooner a sister ship to the steamship *United States* is built the cheaper we will get it.

Now, that is all I have to say. There has been some talk about drawing the plans of a commercial ship as opposed to a ship with the national defense features that the Navy wants so that they can be compared. The costs would probably be in the neighborhood of $750,000 and it would take 6 months and, in my opinion, the money would be wasted, so that I am not in favor of that cost.

The CHAIRMAN. Does that complete your statement?

Mr. FRANKLIN. Yes, sir.

The CHAIRMAN. General, the committee, of course, is interested in the economic feature both from your standpoint and from the national standpoint; the future value of the *America* and the economic value of it to your company today; and to explore what the possibilities may be for the further utilization of that vessel.

Mr. FRANKLIN. Well, sir, I am glad you asked me that question. The Steamship *United States* stands on the books of the United States

Lines at about $35 million. She made her first voyage July 1, 1952, and she has been in continuous service ever since. She has earned on that investment about 4½ percent, and it must be borne in mind that this has been during a period when the travel was heavy and also the ship was new. I make no bones about it.

I would like to see us build another ship but you have to look at the commercial side of it. The question of at what interest rate we can borrow the money for enters into it. We must put up 25 percent in cash which we can find. The interest rate on the money for the balance is very important. You gentlemen know better than I that, under the law, the Federal Maritime Board can loan money at 3½ percent. I am not a financier but I understand that the Government can borrow money for less than 3½ percent. If we go into the market in New York today to borrow money for a thing of this kind I think that money will cost us somewhere between 4½ and 5 percent. That is very important. That will have a bearing on what part of this cost the United States Lines can bear.

Another important thing will be the price we get for the Steamship *America*. I am very glad to have a chance to tell you that certainly nobody can say that the United States Lines has made undue profit out of this ship. Also it must be borne in mind that it is not really a sale because the Defense Department sends us a telegram and says, "Deliver the Steamship *United States* at a certain place at a certain time," providing she is in this country, and we have to deliver her and the Government pays us the depreciated cost of the ship.

The CHAIRMAN. In figuring the national defense features, are these other conditions that surround the ship taken into consideration as well as the physical features?

Mr. FRANKLIN. I am not clear on that, sir.

The CHAIRMAN. Well, are the physical features solely the national defense features; that is, what the Navy requires to be put in, is that solely the national defense feature?

Mr. FRANKLIN. I think you could argue that the whole ship is the national defense. This ship was built as a national defense ship from her keel up.

The CHAIRMAN. I want to get it clear in my mind. You say are you subject to call all the time. There is a scheduled sailing and you are subject to the receipt of a wire to deliver this ship at one place. Is that condition taken into consideration as a cost to the national defense, the loss that might be incurred to you considering that?

Mr. FRANKLIN. No, sir; that is not. Of course, we have a contract—as you well know, Mr. Bonner, or else we couldn't run the ship—with the Federal Maritime Bureau that gives us an operating differential subsidy.

The CHAIRMAN. That is on labor and costs of materials, and so forth?

Mr. FRANKLIN. That is right, sir. That is the additional cost of running this ship as opposed to a foreign ship of the same kind; and, of course, we have to keep the ship on a certain run and we have to keep the ship on the run from New York to Le Havre and Southampton, and we are calling her at Bremerhaven in the wintertime. The ship is never more than 4 or 4½ days full steam away from this country which is a value in the case of an emergency.

The CHAIRMAN. But that is not considered.

Mr. FRANKLIN. No, sir; not in the national-defense features.

The CHAIRMAN. That is not considered in the national-defense features?

Mr. FRANKLIN. The national-defense features, sir, technically, just cover the physical part of the ship.

The CHAIRMAN. Mr. Tollefson?

Mr. TOLLEFSON. General Franklin, I think the record should show your wartime experience. What position did you occupy with the Government during World War II?

Mr. FRANKLIN. Well, sir, I was Chief of the Water Division of the Transportation Corps, and in the last days of the war I was Assistant Chief of Transportation. The division which I commanded had charge of the ports of embarkation and debarkation and had charge of finding the ships to move the troops and supplies.

Mr. TOLLEFSON. So that you are familiar by that experience with the necessity of having adequate troop-carrying capacity during an emergency?

Mr. FRANKLIN. Yes, sir. I am, and I must say it was very discouraging and gave you the willies at times to see them carrying American troops in Liberty ships, 10-knot ships, that, if they were hit, sank like a stone; and we lost some of them, too, but there was nothing else to do. You had to move the troops.

You brought up a point that was interesting to me about the *Queens*, The two *Queens* and the *Aquitania*, they call them the monsters, moved, as I remember, 7½ percent of all the American troops that were moved overseas during the war, and I can supply the committee with this information.

The CHAIRMAN. Yes.

(The information referred to follows:)

UNITED STATES LINES CO.,
*New York, N. Y., July 16, 1956.*

Hon. HERBERT C. BONNER,
*House of Representatives,*
*Washington, D. C.*

DEAR MR. BONNER: Thank you so much for your courtesy to me and also the courtesy of the other members of your committee at the time of my appearance last Wednesday.

Enclosed herewith please find the document to which I referred and a copy of which I agreed to supply the committee. It was compiled by the chief statistician of the Transportation Corps immediately after the war, so I can vouch for its accuracy.

The information regarding the *Queens* is found at the bottom of page 6 and the top of page 7. You will note in the last sentence on the top of page 7 it reads: "It is interesting to note that of the total of better than 7 million troops that were embarked from the United States during the war years, over 1,500,000 traveled on British vessels."

As nearly as I can remember, the only British passenger ships that were regularly used to carry American personnel were the two *Queens* and the *Aquitania*. The figure of 1,500,000 covered the movement in both directions, so that my statement to the effect that between 7½ and 10 percent of the troops embarked for overseas traveled on British ships is substantially correct. I believe this whole booklet will be of interest to you and your committee.

Yours sincerely,

JOHN W. FRANKLIN.

## SHIPPING—ITS RELATIONSHIP TO THE LOGISTICAL OPERATIONS AND STRATEGY OF WORLD WAR II

### INTRODUCTION

General Marshall has traced for us, in his recent report, the series of tremendous operations that progressively brought to bear against the Axis Powers the military might of the United States.

We all recall how thrilled we were as each of those climatic blows burst against the fortress of Europe and against the strong points that surrounded the heart of Japan. Those high points are easy to remember—but what we should remember now and keep before us in the coming years are the bald facts that it took us nearly a year to launch the first blow across the Atlantic into north Africa; that it took 2½ years to reach the Marianas and the western tip of New Guinea, and to assemble the resources for the Normandy invasion.

Many factors contributed to this slow advance toward victory. It took time to raise and train armies. It took time to produce tanks, guns, airplanes, and the thousand and one things that go into the complicated machinery of modern warfare—but had we had all of those things, had our warehouses and camps been full, we still would have been impotent without ships, ships, and more ships.

The story of the development of the American merchant marine in World War II is a story of boldness in vision and boldness in execution. It had to be that way if we were to win, because the American people must confess to themselves that there was little to be proud of in the support accorded our shipping industry between the two wars. We came out on top, yes, but we did it the hard way, and at what a cost in manpower and national resources! While we can be proud of the results accomplished by American industrial might, we must not lose sight of the fact that it took a British Empire, a Russia, and a China or 55 percent of the world's population to hold the fort while we got ready. Can we ever again expect such fortuitous conditions?

The grand strategy of global war has been spread before us. Guadalcanal, Casablanca, New Guinea, Burma, Normandy, Okinawa, and a host of other names call to mind the heroic efforts of the more than 5 million American soldiers who were in our overseas theaters when hostilities ceased.

The fact that we had a woefully inadequate merchant marine in the beginning of World War II, and that we constructed and now have many hundreds of ships, also is common knowledge.

What is now so well known is the relationship between the miracle of shipbuilding that the past few years have witnessed and the tremendous strategic undertakings that were necessary to overcome the European and Asiatic aggressors.

Note that these strategic undertakings were not all military—in the sense of men moved against the enemy. Many of our most important commitments included the support of the warmaking capacity of our allies and of our own rapidly expanding war production programs.

The influence of shipping upon logistical operations and global strategy was of the utmost importance from the very beginning of the United States war effort.

It was obvious that this would be so, but few realized during those early days the vastness of the shipping program that would be required to support not only our own military deployment that was destined to spread over the entire world but also the war-making capacity of our allies.

### THE MERCHANT MARINE ACT OF 1936

Considering the low ebb of American shipbuilding during the early thirties, and the vital part which the American shipbuilding industry was called upon to play in the successful prosecution of the war, it was fortunate that this industry was well on the way toward rehabilitation when we entered the conflict. Broadly speaking, this rehabilitation began with the passage of the Merchant Marine Act of 1936, which set up a definite national maritime policy, established the Maritime Commission as an effective agency for the promotion of that policy, and opened the way to the inauguration of a long-range shipbuilding program aimed at modernizing our merchant fleet.

One of the objectives as set forth in the act contained a clause that is worthy of special note because it emphasized a flexibility of thought, design, and construction that was to prove the key to many of the outstanding accomplish-

ments of our merchant hsipping. An extract of the particular objective referred to is quoted below:

"First, the creation of an adequate and well-balanced fleet, including vessels of all types, to provide shipping service on all routes essential for maintaining the flow of the foreign commerce of the United States, the vessels in such fleet to be so designed as to be readily and quickly convertible into transport and supply vessels in a time of national emergency. * * *

The manner in which this flexibility contributed to military operations will be described in detail in later portions of this discussion.

### SUMMARY—MILITARY SHIPPING AT THE START AND AT THE END

The parallel development of our merchant marine and of the strategic undertakings encompassed in the 4½ years of war is a dramatic story.

Prior to World War II, the peacetime garrisons in our overseas bases totaled only about 45,000 Army troops. These forces were supported by 6 Army transports and 2 cargo vessels, supplemented to some extent by commercial services.

By the middle of 1945 our troops overseas totaled approximately 5½ million, and the Army alone was employing 1,706 ships of 16 million deadweight-tons including 1,445 cargo vessels and 261 troop transports or hospital ships.

During the same period the United States controlled merchant fleet increased from some 1,100 vessels of 11 million deadweight-tons to over 5,000 vessels exceeding 50 million deadweight-tons.

### THE BASIC PROBLEM

In spite of the mass production of ships, and the fact that we did win the war, the entire period of conflict presented a continuing process of balancing available shipping against the demands of strategic undertakings. Possibly the most appropriate analogy would be that of a swinging door—on one side was the constant pressure of requirements for shipping space resulting from both military and civilian demands—on the other side was shipping capability. Planning, coordination, and the establishment of priorities kept the door in an approximately neutral position, but any easing of the shipping situation, even the suspicion that there might be additional shipping over and above scheduled requirements, brought forth a flood of bids for space either from the military planners or from civilian or allied agencies.

### THE SITUATION JUST BEFORE AND JUST AFTER PEARL HARBOR

The first point where our shipping deficiency really struck home was in the matter of troop transports. During 1940 and 1941 the world situation called for a rapid reinforcement of our overseas bases. But only a few ships fitted to carry troops were available.

The outbreak of the war in Europe found the Army operating eight transports out of New York and San Francisco, in service between those ports and to Puerto Rico, the Panama Canal, Alaska, Hawaii, and the Philippines. Of that small fleet, 6 were combination troop and freight ships, and 2 were freighters. During 1940 the Army added a number of passenger and cargo vessels to its fleet by purchase and charter. At the same time the Navy was building up its transport and supply fleet rapidly.

The requirements for moving troops, however, rapidly outstripped the piecemeal acquisition of vessels by the Army and Navy. A much broader base was called for and we had to begin to think in terms of wholesale rather than retail lots. New construction was out of the question except as a long-raneg proposition since troop transports took 1 to 2 years or more to build—the only solution was to convert the passenger vessels of the American merchant fleet into troop carriers.

The declaration by the President in May 1941 of an unlimited national emergency empowered the Maritime Commission to requisition any vessel documented under the laws of the United States. This policy, together with the establishment of the Maritime Commission (later the War Shipping Administration) as the agency to manage the employment of the pool of merchant shipping other than that owned and operated by the Army and Navy. Thus, not only was all existing United States shipping made available for allocation to the various phases of the war effort but also close collaboration among three agencies, the Army, Navy, and Maritime Commission, would permit a coordinated expansion program geared to strategic requirements.

As indicated earlier, the initial burden of meeting military requirements fell upon the small fleet of Army transports. These were immediately available to meet emergency demands to the extent of their limited capacity, but it was not possible to put the military forces of the United States on a war basis until the shipping resources of the Nation likewise were placed on a war basis.

By late 1941 numerous erstwhile passenger liners had been converted to troop transports, but these were spread thinly to meet requirements in the Atlantic, the Caribbean, and the Pacific. The dispatch in late November and early December of 20,000 reinforcements to the Philippines required the utmost effort to collect 11 troopships to do the job. After Pearl Harbor, and when it became evident that additional troops must be sent to the southwest Pacific to protect Australia, the movement of 25,000 troops for that purpose meant that every available ship would have to be employed. This severely restricted the buildup of our forces in the United Kingdom with the result that during the time the ships were in the Pacific—January to June 1942—only one division was moved to North Ireland.

These incidents seem minor when viewed in the light of later periods when hundreds of thousands of men were transported each month to all parts of the globe—but they were all-important at a time when our national existence seemed to depend on getting a few men first to this point and then to that point to stem the tide until we could get our feet under us. And you will note that the accomplishment of even these small missions depended upon the number of ships that could be assembled for the purpose.

### THE CONVERSION OF OUR MERCHANT PASSENGER FLEET

Let us glance back for a moment to the broader picture—to the beginnings of the tremendous overall expansion of the merchant marine that had to come before the full force of American war potential could make itself felt.

As has been noted above, the core of the troop-carrying fleet had to be the existing passenger vessels under United States control. While the conversion of many of these had been started before the Japanese attack on Pearl Harbor, immediately after our entry into the war the entire fleet was surveyed and practically every United States merchant passenger ship was earmarked and scheduled for conversion to a troop transport or naval auxiliary. Some 75 vessels were involved, and they varied from small coastal or interisland types with a converted capacity of a few hundred up to the largest of American ships the *America* (later changed to the *West Point*) with a troop capacity of 8,500. In addition to these United States-flag vessels several Axis ships were seized in United States ports and twenty-odd Dutch, Norwegian, French, and Chilean ships became available to swell the United States-controlled pool.

The conversion of these ships took time—from a few weeks for a hasty emergency conversion to several months for a thorough job—but after 1 year of war our troop-lift inventory had increased from its peacetime total of a few thousand to a capacity of 200,000.

### THE USE OF BRITISH TROOPSHIPS

Before going further we should take cognizance of the vital part played by several of the large British ships in the overseas deployment of United States forces. From the very beginning the *Queen Mary, Queen Elizabeth, Aquitania* (frequently referred to as the "monsters") and several others assisted in the carriage of American troops. In the early days they made voyages, perilous for such large ships, to our most distant outposts, but their real contribution came in the buildup of forces in the United Kingdom for the final assault against the fortress of Europe. In the short trans-Atlantic voyage their great speed and tremendous carrying capacity (up to 15,000 each for the *Queens*) provided a lift that averaged about 50,000 per month for almost the entire course of the war. It is interesting to note that of the total of better than 7 million troops that were embarked from the United States during the war years, over 1,500,000 traveled on British vessels.

### THE BEGINNING OF EXPANSION

More will be said later of the development of the United States troop-transport fleet, but to go back to the overall expansion of our merchant marine—

In accordance with the Merchant Marine Act of 1936 the Maritime Commission had embarked on a long-range program designed to modernize our merchant fleet.

However, despite the favorable provisions of the act, during the period 1936–40 American shipyards delivered only 136 oceangoing vessels of 1,579,000 deadweight-tons. As the German forces overran all of Europe, and submarine warfare continued to take its toll, it became more and more apparent that the United States shipping industry would have to provide the bulk of the shipping to sustain the war effort of the Allies as well as our own needs. By the end of 1941 the American shipbuilding program, including foreign and American orders, had been expanded to include about 1,200 vessels aggregating about 14 million deadweight-tons, to be delivered by the end of 1943. The bulk of this program thus was spread over a 2-year period.

### THE ESTABLISHMENT OF SHIPPING CONTROL AGENCIES

In the earlier discussion it has been shown that the critical shipping item governing our initial military effort was troop transports. Soon it became apparent that cargo shipping also would become critical because as our forces overseas were built up more and more tonnage must be devoted to their maintenance, while at the same time lend-lease allocations were expanding and our own rapidly developing war industries needed materials. At the beginning of 1942 the approximately 6 million deadweight tons of active United States dry cargo vessels was distributed roughly as follows:

| | *Percent* |
|---|---|
| Allocated to essential civilian needs | 47 |
| Allocated to lend-lease | 31 |
| Allocated to the Army and Navy | 22 |

With all commitments for shipping space growing by leaps and bounds, it was obvious that not only must the employment of our meager shipping resource be closely coordinated but also our construction programs would have to be carefully related to the logistic requirements of strategic undertakings in order to insure proper balance among the several types of ships that would be needed. Planning thus became a keystone not only of our strategy but also of our shipbuilding effort.

### THE COMBINED MILITARY TRANSPORTATION COMMITTEE

Early in 1942 the War Shipping Administration was formed to take over from the Maritime Commission the management and operating phases of the employment of the United States merchant marine, and in February the Combined Chiefs of Staff formed the Combined Military Transportation Committee, the general mission of which was to coordinate the combined employment of the United States and British controlled pools of merchant vessels for the furtherance of our combined effort. On this Committee was represented the United States Army and Navy, the British Army and Navy, the War Shipping Administration, and the British Ministry of War Transport. This Committee functioned throughout the war and filled an important role in coordinating the overall employment of the shipping resources of the United Nations.

### THE JOINT MILITARY TRANSPORTATION COMMITTEE

Of more immediate interest to us however, was the Joint Military Transportation Committee which was formed concurrently with the combined organization and which provided a United States joint agency consisting of Army, Navy, and War Shipping Administration and/or Maritime Commission representation to coordinate the employment of United States shipping and to insure that future requirements and future construction programs were closely coordinated.

It was through this Committee that the Maritime Commission learned the forecasts of shipping quantities and types that would be needed to support the strategic operations planned by the Joint Chiefs of Staff. Similarly, the Committee followed closely the progress of Maritime Commission building programs and translated forecast deliveries into terms of shipping capabilities to support planned operations.

Since a description of the activities of the Joint Military Transportation Committee is in reality a description of how the employment of American shipping was coordinated throughout the war, a brief discussion of the manner in which that Committee carried out its functions is in order. Its work covered the whole field of shipping in its relationship to the war effort of the United States but the tasks can be grouped under three general headings:

*Allocation of shipping problems*

The Planning Divisions of the Office, Chief of Transportation and of the Naval Transportation Service formed the working subcommittee of the Joint Military Transportation Committee. These two groups formulated the estimates of shipping requirements for their respective services.

In the normal course of business, the working subcommittee combined the requirements of each service and presented them informally to the War Shipping Administration. On occasions when long-range strategic planning was involved the forecasts of military shipping requirements were included in formal studies.

The War Shipping Administration represented all nonmilitary claimants for United States shipping, and it tabulated estimates of such requirements. At least once each month the military and nonmilitary demands were combined by War Shipping Administration and Army and Navy representatives. The War Shipping Administration then determined the overal shipping position for the next several months by comparing sailings per month required to the estimated number of ships to be available for loading each month.

This overall position, which usually showed deficits, was presented either formally or informally to the Joint Military Transportation Committee. The Joint Military Transportation Committee then allotted a proportionate share of available vessels to each claimant. If the deficits were so large as to endanger military operations, the Joint Chiefs of Staff and, less frequently, the President were asked to indicate priorities.

With decision made as to the allotment of shipping, the War Shipping Administration allocated vessels to implement the decisions of the Joint Military Transportation Committee or higher authority.

*Ship construction or conversion*

Matters of ship construction or conversion requirements were either initiated by individual members of the Joint Military Transportation Committee or came down from higher authority as a result of strategic studies or conditions developing in the field of critical materials.

The study of these problems required joint action by the Joint Military Transportation Committee and the Joint Logistics Committee. A subcommittee was formed from among representatives of each parent committee to develop the facts, draw conclusions and make recommendations for submission to the Joint Chiefs of Staff.

*Miscellaneous problems*

Most of the other problems continually before the Joint Military Transportation Committee related either directly or indirectly to the two general classes discussed above. For example, when major operations were being planned by the Joint Staff planners, representatives of the Joint Military Transportation Committee collaborated in the development of such plans by subcommittee work. This work covered two main fields: First, equating the elements of the proposed plan into shipping requirements and second, determining in the light of other known commitments whether or not the proposed plan could be supported by available shipping. Thus, the Joint Military Transportation Committee was intimately concerned with all phases of strategic planning with the result that when plans for overseas operations were presented to the Chiefs of Staff, the vital question of shipping availability already had been thoroughly investigated.

Similarly, plans originating in overseas theaters were studied by representatives of the Joint Military Transportation Committee to determine shipping implications.

This close relationship between the Joint Military Transportation Committee and the strategic planners insured that military operations were closely coordinated with shipping resources.

*Summary*

To summarize: The most important function of the Joint Military Transportation Committee in the war effort of the United States was:

To develop the shipping implications of the numerous large and small understakings, the sum of which represented the tremendous overseas effort of the Nation,

To integrate the shipping requirements of military operations into the overall shipping picture, and

To recommend courses of action in the field of shipping distribution and shipping construction that would insure the support of the strategic undertakings decided upon by the Joint Chiefs of Staff.

THE EFFECTS OF SUBMARINE WARFARE

As has been mentioned previously, the first large-scale expansion in the American shipbuilding program occurred in late 1941 when a program to construct 14 million deadweight-tons by the end of 1943 was set in motion. In addition to the foreseen increases in requirements, the effect of submarine losses had a very important bearing on this and later programs and deserves special consideration.

The Axis Powers, particularly Germany, were well aware of the utter dependence of the Allies upon shipping—not only for their defense, but also for any counteroffensive that might eventually materialize—and they did all they could to capitalize on this fact. Germany, from the early days of Hitler's regime, stressed the construction of submarines. The undersea raider had almost accomplished its purpose in the last war; now there were improved types of U-boats available, airpower was an added menace to shipping, and the Allies again were unprepared.

The German blockade became effective immediately, and during the 27 months prior to the entry of the United States into the war, about 16 million of the world's total of 80 million deadweight-tons of shipping were sunk by the Axis. During the same period the combined output of the shipyards of the United Kingdom and the United States, which were almost the sole source of new merchant shipping for the Allies, was only 5 million deadweight-tons.

On December 1, 1941, the oceangoing passenger, dry cargo, and tanker vessels under the flag of the United States aggregated about 11,600,000 deadweight-tons. A few American ships, engaged in services which the Germans considered unneutral, had been sunk by submarines, but up to that time our losses had been negligible. From the date of our open belligerency, however, they began to mount. Concentrations of German submarines appeared in the western Atlantic, the Gulf of Mexico, and the Caribbean, and unescorted vessels moving coastwise were sunk within sight of our shores. American ships totaling about 3,609,000 deadweight-tons were lost during 1942, the year of heaviest casualties, and approximately 6,764,000 deadweight-tons went to the bottom during the course of the war.

For the entire war period, the losses of vessels controlled by or available to the United Nations aggregated over 36 million deadweight-tons. Allied shipping losses during World War I were about 18 million deadweight-tons. The total for World War II breaks down as follows:

*Deadweight tons of shipping*

[In thousands]

| | Nontanker | Tanker | Total |
|---|---|---|---|
| September 1939 to December 1941 | 13,700 | 2,600 | 16,300 |
| Year 1942 | 8,957 | 3,070 | 12,027 |
| Year 1943 | 4,342 | 977 | 5,319 |
| Year 1944 | 1,804 | 293 | 2,097 |
| January–August 1945 | 679 | 160 | 839 |
| Total | 29,482 | 7,100 | 36,582 |

The greater part of the sinkings resulted from submarine activities, but the losses from other causes were substantial. Thus, 72 percent of the United Nations tonnage loss during the period 1942–44 was attributable to U–boats, 9 percent to aircraft, 3 percent to surface raiders, 5 percent to other enemy action, and 11 percent to marine casualties. Losses from marine casualties were relatively high because of the unusual hazards of operating in convoys at sea and in congested harbors, and to the necessity of navigating without lights.

During 1940 and the early part of 1941 there were several months when the Allied shipping losses exceeded the combined shipping output of the United Kingdom and the United States by more than 500,000 dead-weight tons. The winning of the war required not only that losses be offset by new construction but that they be exceeded by a substantial margin in order that sufficient shipping eventually might be available to the United Nations to enable them to launch the heavy offensives which were necessary to the defeat of the Axis. There were two means to this end—reduction of the losses by improved defensive

and offensive measures, and a colossal ship-construction program. Both means were pursued with utmost vigor.

The exceedingly heavy losses during 1942, as during the preceding years, were the result of the inadequate protection afforded merchant shipping. Immediately following Pearl Harbor and the extension of hostilities to the Pacific, the United Nations had a wholly inadequate number of escort vessels for the convoys that sailed, and many vessels sailed independently which should have been escorted. Aerial coverage by either shore-based or carrier-based planes was practically nonexistent. However, the tremendous program of new escort vessels and aircraft carriers executed by the Navy, and the establishment of offshore aerial patrols, together with improved defensive devices and weapons, gradually placed the submarine in check. By the summer of 1943, although the losses still were heavy, confidence was felt that the danger point had been passed. By early 1944 the number of submarines being destroyed was greater than the number of Allied merchant vessels being lost through submarine activity.

As losses began their heavy upward climb in early 1942, and as the strategy and probable scope of the United States effort became clearer, the proposed ship-construction program calling for 14 million deadweight-tons over a 2-year period appeared wholly inadequate. It seemed to many that it would be impossible to do more—but the Maritime Commission already had exhibited the keen foresight of deciding to concentrate on a ship of simplified design, using the reciprocating engine, which was the type most readily available. This ship—the Liberty—became the backbone of the entire wartime shipbuilding program, and since experience was proving that it could be constructed much more speedily than had ever been thought possible, programed deliveries were pushed up and up to match the apparently insatiable demands. Thus, we find that the 1942 program soon became 8 million deadweight-tons, and before the 2-year period (1942–43) came to a close over 26 million deadweight-tons had been delivered, as compared to the originally planned 14 million.

### THE STRATEGIC CONCEPT

Let us glance now for a moment at the strategy that brought about the tremendous logistic problems that devolved upon the United States.

It was essential that the pressure on Russia and Great Britain be relieved by the striking of an early blow against Germany.

Japan was pressing relentlessly eastward, but available resources were inadequate to permit a full-scale effort against the Japanese and European Axis simultaneously.

Shipping employed on the relatively short Atlantic lines of communications could build up adequate forces for a decisive blow in the European theater in half the time which would be required for such a buildup over the long Pacific sealanes. Moreover, the Navy needed time to rebuild to insure our freedom of action in the Pacific. And, finally, light British and American naval forces could be employed for convoy purposes in the Atlantic without the serious threat of major naval engagements. Therefore, the decision was made to build up United States forces in the British Isles as rapidly as possible for a combined assault across the channel while we assumed the strategic defensive in the Pacific—using minimum resources to stem the Japanese advance and building bases for a later counteroffensive.

These decisions set the course, but even the Atlantic was to seem a very wide ocean before our resources would become sufficient to bring this strategy to fruition.

In the meantime, it was necessary to continue and expand our lend-lease assistance to Britain and Russia. Losses were cutting heavily into British tonnage, and the imports which she so sorely needed to keep her war machine running were steadily falling. By the end of 1942 dry-cargo tonnage allotted for lend-lease purposes had jumped from 1.8 million deadweight-tons to 2.8 million tons, and a year later the total had risen to 7 million deadweight-tons. This lend-lease total, plus about 2.6 million deadweight-tons devoted to United States essential civilian needs, represented the so-called nonmilitary requirements which remained relatively constant except for periods when especially heavy military demands forced an invasion of the nonmilitary allocation of tonnage.

### THE INVASION OF NORTH AFRICA

The first of the large-scale strategical operations that were to call for all-out logistical support began in the fall of 1942 with the invasion of north Africa. This also was to be our first taste of the complex shipping problems that were

to arise in connection with combined British and American operations. Incidentally, it is interesting to note that shipping considerations played an important part in the initial decision to undertake an attack on north Africa. Such an attack was calculated to permit convoys to pass through the Mediterranean to the Middle East and India, instead of traveling the long route around south Africa. Thus greatly reducing turnaround times. It would also help to check depredations on Allied shipping in the South Atlantic, and would cut off shipments of important products, such as phosphate, manganese, and foodstuffs, to the Axis war machine.

During the spring and summer of 1942, in accordance with the strategic concept, our efforts had been concentrated on the buildup of forces in the United Kingdom in preparation for a combined assault across the channel. When the decision was reached to postpone an assault in Europe in favor of the invasion of North Africa, original plans visualized that the forces would be mounted in the United Kingdom and would depend primarily on British shipping. As plans progressed, however, it became evident that the British shipping would not be adequate and that large-scale United States assistance, both in troop and cargo shipping, would be required not only to carry troops and supplies from the United States to Africa but also to support the forces originating in the United Kingdom. This change in plans necessitated a rapid reorientation of United States shipping allocations and served to illustrate at the very beginning the need for flexibility in the handling of shipping—a characteristic that was to be demonstrated many times in later months.

One of the first of the revised demands on United States shipping involved the provision of combat loaders for the assault forces now scheduled to be mounted in the United States. Twelve additional vessels of this type were needed and they could only be obtained by withdrawing ordinary transports from the United Kingdom buildup service and converting them hurriedly to fill the role of assault transports. This was accomplished by the Army and Navy each converting six, but several were barely completed in time to load and sail with the initial convoy. The cargo shipping picture also was acute during this early period before our expanded shipbuilding program had reached its full stride and records show that both the forces sailing from the United Kingdom and the United States initially were limited to 50 percent of their organizational equipment. This shortage of equipment, especially motor vehicles, became increasingly serious as the campaign progressed and communication lines became longer with the result that extraordinary measures had to be taken in February 1943 to ship 5,000 vehicles to north Africa.

### EARLY ACTION TO SECURE A BALANCED MERCHANT FLEET

One of the early effects of the north African campaign was the creation of an unbalanced condition in the shipping picture. Troops previously scheduled as a part of the United Kingdom buildup were being diverted to the Mediterranean in early 1943 and at the same time deliveries of cargo ships were exceeding early estimates so that cargo shipping capabilities were beginning to surpass our ability to transport troops.

The approach of this situation had been recognized by the Joint Military Transportation Committee in November 1942 when recommendations were made that the 1943 ship-construction program be modified by changing over 120 Liberty ships to troop transports and converting 100 others into tankers. This revised program was initiated but as finally completed it provided an equivalent increase in troop life and tanker capacity rather than a direct conversion of Liberty ships as originally intended. This modification was worked out by the Maritime Commission with a view to utilizing ships more suitable as to type and speed than the Liberty for troop transports and tankers.

### THE PROBLEM POSED AS A RESULT OF UNBALANCED CONDITIONS

In spite of the action taken to balance our merchant fleet by modifying the 1943 construction program there remained a temporary unbalanced condition in favor of cargo shipping during the greater part of 1943 as a result of the diversion of troops from the United Kingdom buildup to north Africa, and we find that this shipping situation exercised a dominant influence on one of the most complicated, and controversial, logistical operations of the entire war.

In brief, the problem faced by the War Department was as follows:

The concept calling for the buildup of large forces and stocks of supplies in the United Kingdom for an eventual assault across the channel into Europe remained unchanged—it had received a temporary setback while forces were be-

ing diverted to the Mediterranean but it was expected to pick up again in the fall at a much heavier rate.

Studies of British port capacities showed that while the total planned tremendous accumulation of United States forces and materials could be accepted if spread over a year's time, capabilities would not permit the concentrated arrival of men and supplies during the winter months when daylight hours were short and port operations were restricted.

And finally, as we have indicated, cargo shipping was available and if it was not used to maximum advantage a critical resource would be wasted.

### PRESHIPMENT OF SUPPLIES TO THE UNITED KINGDOM

The only solution to this problem was to initiate a preshipment program—that is ship to the United Kingdom and stockpile during the spring and summer of 1943 the equipment and supplies that would be needed by the troops that would begin to arrive in large numbers during the winter.

There were many other problems incident to the implementation of such a program—the availability of supplies and equipment so far ahead of time was one—the availability of service troops in the United Kingdom to receive and warehouse the materials was another, but the overriding importance of shipping considerations was the deciding factor.

As it finally developed, of total shipments aggregating 5,077,417 measurement tons during the period May to November 1943, 2,109,332 tons or 41.5 percent represented preshipment cargo. The preshipment program continued into the spring of 1944 but the percentage became progressively less as the troop movement rate increased.

### SHIPPING IN THE OVERSEAS THEATERS

So far, most of our discussion concerning the relation of shipping to logistic operations and strategy has been in terms of shipments outbound from the United States to support overseas movements and operations originating in the United States.

While these outbound services accounted for the major portion of the tonnage employed for military purposes throughout the war, a very important and critical item in the overall shipping picture was the tonnage needed for local operations in the overseas theaters.

Both in the Atlantic and in the Pacific the approach to the enemy's homeland was made in a series of moves from rear to forward bases. In the Mediterranean and later in Europe the invasions by water were relatively few and over short distances, but they were concentrated and heavy. In the Pacific the distances were great and the assault operations were more frequent though of less weight. In either case the number of ships, large and small, required by the invading forces was great. In Europe the British contributed heavily from their large resources of the coaster type vessel. In the Pacific the burden rested chiefly upon the United States.

From the very beginning of operations from the Australian base it was necessary for General MacArthur to build up a local fleet. This was accomplished in every conceivable manner. Australian vessels were purchased or chartered; Australian shipyards were put to work building hulls, the engines for which were requisitioned from the United States; Dutch vessels rendered homeless by the advance of the Japanese through Sumatra and Java became available for charter; and in addition, such vessels large and small as could be obtained in the United States were sent to the Southwest Pacific. We find that by the end of 1942 General MacArthur had assembled a conglomerate fleet comprising several large vessels and 195 small craft plus two-hundred-odd barges, and it was this fleet that to a considerable extent supported the conquest of New Guinea.

The need for a medium size cargo vessel to serve island bases in the Pacific had been recognized early and 100 ships of the C1–M–AV1 type were included in the ship construction program. This figure later was increased to 200 upon specific request of Pacific commanders.

Before this program could produce results however, it became necessary to allocate large blocks of Libertys or similar large vessels to each of the major theaters for intra-theater service. These allocations were known as "rotational retentions" since they were obtained by retaining in the theaters vessels arriving from the United States with regular maintenance cargoes. The vessels would be used locally for several months, then would be released for return to the United States while more recent arrivals were picked up to take their place in the

retained fleet. In October 1944 the total number of such ships definitely assigned to the theaters for local operations was 340, of which 195 were in the Southwest Pacific, 136 in the European and Mediterranean theaters and 9 in the South Pacific. That was the peak, and thereafter there was a gradual reduction—a reduction required because of the need for such vessels for service between the United States and the theaters and also because of the rapidly growing number of smaller craft available to theater commanders. The above figures do not include vessels temporarily held in the theaters, nor the many large merchant-type vessels which had been constructed by the Maritime Commission and converted by the Navy for use in assault and supporting operations.

### CONSTRUCTION OF TROOP SHIPS DESIGNED BY MARITIME COMMISSION

Throughout the discussion up to this point we have been dealing with the development of the United States merchant marine, and its relationship to strategy and logistics during the first half of our war effort. While this early period saw the initiation of major military operations both in the East and in the West, such activities were mere skirmishes compared to the torrent of force that soon was to be directed against Germany and Japan and it was toward the goal of supporting this torrent that the development of our shipping resources was aimed.

The conversion of existing passenger liners to troop transports had given us a troop lift capacity of 200,000 spaces by the beginning of 1943, and this capacity on an average 2-months turn-around would move 100,000 troops per month. With those vessels as they gradually became available plus help from the British we transported a force of nearly 1 million Army personnel alone overseas in 1942. It was obvious however that unless the war was to be indefinitely prolonged, the full military strength of the United States would have to be placed within striking distance of the Axis citadels at the earliest possible date.

With this urgent need for additional troop shipping in mind, the Maritime Commission had started in 1942, a substantial program that was to provide 73 modern transports during the next 2½ years. The program centered around 3 principal types, known as the P2 Admiral and General types with capacities ranging from 4,700 to 5,100 troops, the C4 General type with 3,300 average capacity, and the C4 Marine type with 2,500 average capacity. These were splendid ships and their delivery to the troopship pool plus additional conversions gradually increased our troop capacity from a lift of 200,000 at the beginning of 1943 to 600,000 by V–E Day.

### WHOLESALE APPLICATION OF CONVERSION PROCESSES

There were times however when the war could not wait for ships to slide from the building ways. The conversion processes which had to be relied on at the very beginning to meet diversified military requirements pointed the way to procedures that could be employed advantageously throughout the whole shipping structure. This principle had been highlighted in the Merchant Marine Act of 1936, and the wholesale application of it, with typical American ingenuity gave a flexibility to the United States merchant marine that was to prove a decisive factor in meeting the numerous logistical problems resulting from modern war.

### USE OF CONVERTED SHIPS

Let us look briefly at some of the more important problems that were solved by converting various types of ships to do jobs entirely different from those intended when the vessels were originally designed.

First and foremost was the one which has been touched on several times in the previous discussion—the conversion of passenger liners to troop transports. For well over a year this program provided us with practically our only source of troop lift. But soon we ran out of passenger liners to convert and troop carriers were still in demand. Cargo vessels were the next source. The program for changing over 120 Liberty to troop transports during their construction already has been mentioned. However, Libertys were slow and therefore not the best type for troopers so numerous other types were withdrawn from cargo service and converted to carry troops. Practically all of the standard Maritime Commission designs contributed to a greater or lesser extent—C1's, C2's, C3's, and C4's—but the cream of the lot was the C3. This type was large and fast, and next to a specially designed transport, turned out to be the most satisfactory troopship among the converted types. Incidentally, the C3 also proved to be

ideally adaptable to various types of naval auxiliaries so that by the end of the war few were left to perform straight cargo carrying missions.

Although the Liberty ship was not looked on with favor by either the military or the Martime Commission as a fully converted troop transport, that workhorse did perform yeoman service under partial conversion. Its first use on a large scale in this capacity occurred during the Mediterranean campaign when General Eisenhower needed some way to evacuate to the United States several hundred thousand German and Italian prisoners of war. Liberty ships fitted with standee bunks that could be set up after vessels were unloaded and ready for their return voyages to the States proved the answer. Some 230 were fitted in this manner to carry an average of 250 prisoners of war. Later during the campaign, when more American troops were needed in the Mediterranean than troop transports could carry, these Liberties were pressed into service and between June 1943 and May 1944 transported a total in excess of 200,000 badly needed reinforcements. It was tough going for the men who had to ride in them but as an emergency measure their use was more than justified.

After hostilities ceased these same Liberty's were to fill another important role—the return of our forces for demobilization. In this case, however, more time was available to improve the accommodations provided and 210 ships were given additional conversion to increase their capacity to 550 and to add to their facilities. Crossing the Atlantic in a Liberty still was not a picnic, but 376,000 American soldiers got home quicker by this means during the period from VE-Day through 31 December.

Before leaving the Liberty—you can see what we mean by "flexibility"—it should also be mentioned that six of them were converted to hospital ships and proudly assisted in returning many of our wounded veterans from overseas.

Still another cargo ship that contributed materially to the troop lift pool in the last stages of the war was the Victory. (The introduction of this type into the United States merchant marine will be discussed in detail later). In the planning for the transition from a European war to a final overwhelming assault on Japan it became evident that forces would have to be redeployed from Europe to the Pacific at a previously unheard of rate if the extremely close schedule of target dates was to be met. Moreover, while redeployment was in progress the pressure to demobilize those troops not needed in Europe or the Pacific would be tremendous. Therefore, in the spring of 1945, a program was begun to convert 100 Victory ships to carry 1,500 men each. Ninety-seven of them actually saw service before the need for them terminated. It was planned to employ these between Europe and the United States, but they proved so successful that toward the end several were transferred to the Pacific.

As a general comment on the use of cargo ships to carry troops, it may be noted that they represented a very effective means of maintaining a balance between cargo shipping and troop shipping. It will be recalled that this problem represented one of the most difficult ones to be solved in long-range shipping planning because the scope and scale of strategical operations could be modified much more rapidly than could overall construction programs. Thus, we find that when cargo space was more critical than troop lift, the Libertys and Victorys could be used for their primary function of carrying cargo, on the other hand, when additional troop lift was needed and cargo space was easy, the ships, by setting up standees, could quickly be turned into emergency transports. Moreover, in the latter case a considerable amount of cargo space still was available even though the ships might be carrying a full load of troops.

### USE OF TANKERS FOR TRANSPORTING AIRCRAFT

Next in line of importance among the odd uses to which different types of vessels were put was the conversion of tankers to transport assembled airplanes. During the war a total of 47,851 aircraft was shipped by water to overseas destinations. This was about 56 percent of the total number of aircraft sent to the theaters, the remainder having been flown. The technical problems and delays encountered by the theaters in putting together aircraft which had been dismantled and crated for shipment, emphasized the desirability of shipping as many as possible in assembled condition. The most noteworthy solution to this problem was the development of a program for the installation of false decks on tankers for the stowage of assembled planes. Altogether, about 500 American and British tankers were fitted in this manner, and they carried 16,517 assembled and 3,935 crated aircraft, as well as some vehicles. The transportation of so many aircraft in this manner released a large amount of space on regular cargo ships

for other purposes, in addition to helping meet the demand for the delivery of assembled planes.

THE COMPLETE MARITIME COMMISSION CONSTRUCTION PROGRAM—1941–45

We have covered pretty thoroughly the development of troop lift resources throughout the war period, but in terms of total tonnage produced this type of vessel represented a relatively small proportion of the total contribution of our shipbuilding industry.

As mentioned earlier, American shipyards delivered approximately 8 million deadweight-tons of all classes of vessels in 1942 and 18 million deadweight-tons in 1943; 1943 was the peak, but the last 2 years of the war taken together were almost a duplicate of the first 2 in terms of total tonnage.

Counting the small-scale construction of 1941, we find that during the 5-year period 1941–45, a total of 5,280 oceangoing vessels, aggregating over 54 million deadweight-tons, was delivered. This total figure for American merchant-ship deliveries breaks down into annual figures as follows:

| Year | Number of ships | Deadweight tons |
|---|---|---|
| 1941 | 105 | 1,165,200 |
| 1942 | 740 | 7,918,000 |
| 1943 | 1,719 | 18,561,400 |
| 1944 | 1,623 | 15,982,200 |
| 1945 | 1,093 | 10,597,300 |
| Total | 5,280 | 54,224,100 |

A few comparisons with the above figures will serve to emphasize the magnitude of the American shipbuilding achievement in World War II. British Empire shipyards during this period delivered less than 11 million deadweight-tons. The program of the United States in World War I called for the construction of 3,270 vessels of 18,400,000 deadweight-tons, but only a small part of that program was completed prior to the conclusion of hostilities, and the deliveries during the 5 years following April 1917 totaled only 2,311 vessels of 13,627,000 deadweight-tons.

Any attempt to break down American ship construction during World War II into types is likely to be misleading, since, as has been brought out during the course of this discussion, the basic types were subject to many modifications to meet the varied requirements of the war. However, the following analysis of oceangoing merchant ship deliveries during the period 1941–45, according to original design, is of interest:

| | Number of ships | Deadweight-tons |
|---|---|---|
| Standard cargo | 475 | 4,694,400 |
| Liberty ships | 2,708 | 29,182,400 |
| Victory ships | 414 | 4,491,700 |
| Tankers | 678 | 10,934,200 |
| Military troopships | 245 | 1,243,700 |
| Other military types | 266 | 1,791,700 |
| Miscellaneous | 494 | 1,886,000 |
| Total | 5,280 | 54,224,100 |

The introduction of the Victory ship into the Maritime Commission construction program was mentioned a little while ago and it can be seen from the table just presented that 414 of these vessels had been delivered before the end of the war. Although the Liberty had been adopted as the backbone of our cargo fleet, the prospect of a long war in the Pacific with supply lines averaging well over 6,000 miles made a faster ship more desirable if one could be produced on a mass-production basis.

By 1944 the tremendous strides in tonnage deliveries offered the opportunity for a changeover of some of the Liberty production facilities and material to Victory construction so a program for the faster ship was initiated; 104 of the

new type were delivered in 1944, but large-scale construction did not get underway until 1945. The Victory type provided a ship with the same capacity as a Liberty but with a speed of 16–17 knots compared to 11 knots. Also, as has been pointed out previously, the Victory was readily adaptable to conversion to troop-carrying purposes. Now that the war is over the fast ship also will prove a better investment in the postwar period.

### SHIPPING AND THE INVASION OF EUROPE

Early planning calculations that showed the need for the huge construction program outlined in the preceding tables were amply justified when we began to pour 3½ million men into Europe through the Normandy beachheads in June of 1944 and through southern France beginning in August. Not only was it necessary to ship the supplies that armies normally would expend, but it was also necessary to ship adequate reserves. Moreover, the progressive liberation of Nazi-occupied areas meant a constantly expanding requirement for relief supplies.

The magnitude of the problem can best be illustrated by a few statistics:

By June 1, 1944, our strength in the United Kingdom had been built up to approximately 1,600,000 troops.

Ships of all types and sizes had been assembled to move the assault forces and to insure a steady buildup of troops, equipment, and supplies.

The huge shipping fleet for the support of United States forces alone included the following: Assault ships and craft, 549; Liberty ships for the cross-channel movement of vehicles and supplies, 156; prestowed and commodity-loaded ships loaded in the United States and sailed to the United Kingdom to await call forward to the Continent, 202; and large numbers of British coasters.

While the heavy cross-channel movement was taking place, ships with troops and supplies continued to flow from the United States to the United Kingdom, and later direct into the Continent. The following tabulation will give an indication of the size of the latter movement:

*Sailings from the United States*

| 1944 | Cargo ships | Measured tons of cargo | Troop-ships | Troops |
|---|---|---|---|---|
| June | 168 | 1,815,145 | 22 | 112,016 |
| July | 171 | 1,912,878 | 31 | 161,223 |
| August | 224 | 2,349,189 | 38 | [1] 172,465 |
| September | 179 | 1,785,841 | 45 | [1] 184,031 |

[1] Including northern France.

Heavy shipments continued, and with the invasion of southern France by Mediterranean forces in August it was necessary to provide 147 Liberty ships to assist that operation in addition to monthly sailings from the United States to the Mediterranean averaging 100 cargo ships per month.

It is estimated that at the peak some 12 million deadweight tons of shipping, exclusive of tankers, was serving United States operations in Europe.

### PLANS FOR TRANSFERRING OUR MAJOR EFFORT TO THE PACIFIC

As the progress of our forces in Europe during the spring of 1945 showed that V–E Day could not be far off, preparations to throw the concentrated weight of our massive military machine into the Pacific proceeded apace. Plans called for the development of the Philippines as our major base for the final assault on Japan and a tremendous logistical effort had to be accomplished in a few short months if the closely calculated target dates were to be met. Probably the most complete reorientation of effort was to be in the field of shipping. Here is the pattern of the transition that would be called for immediately upon the surrender of Germany:

First. The tonnage of supplies that had been required to support combat in Europe would be cut in half almost at once. Much of that tonnage, especially ammunition, could be turned around in midocean and diverted either directly to the Pacific, or to the United States for integration into the supply program of the Pacific theaters.

Second. Many troop units, especially service organizations, en route to Europe could be stopped if they had not left this country, or could be turned around at sea and brought back to the United States and prepared for service in the Pacific.

Third. Since the invasion forces required for the assault on Japan exceeded those already in the Pacific or available in the United States, large numbers of troops would have to be redeployed from Europe to the Pacific. Pre V–E Day planning called for a redeployment on the order of 800,000 men—of which 400,000 were needed so critically that they were scheduled for shipment direct from Europe to Pacific bases via the Panama Canal, while the other 400,000 were to be returned to the United States for rehabilitation and later shipment either to the Philippines or direct to Japan.

Fourth. Equipment for the troops leaving Europe for the Pacific was to be shipped directly to the Pacific from stocks available in Europe to the maximum extent possible, with shortages being made up by shipment from the States.

Fifth. Maintenance shipments for all forces in the Pacific, regardless of origin, would be made from the United States.

Sixth. Last but not least, troops in Europe not needed either for occupational duties or for Pacific operations would be returned to the United States at the maximum possible rate.

### THE REORIENTATION OF SHIPPING AFTER V–E DAY

Parts of the various phases of the redeployment program were initiated even prior to V–E Day, and when Germany surrendered in early May 1945 the plans that had been so painstakingly worked out were put into immediate execution. There were many modifications and adjustments of detail in the ensuing 3 months but the pattern of operations which we have discussed constituted the basic outline plan for redeployment.

Actually, 62 cargo ships bound for Europe were turned around in midocean or returned from Europe without unloading. Sailings of cargo ships for Europe with military supplies totaling 393 in March 1945 had dropped to 197 by June. Arrivals of cargo ships in the Western Pacific that had totaled 106 ships in May were scheduled to increase to 250 ships arriving in September. Troop lift that before V–E Day was distributed on the basis of approximately 338,000 spaces in the Pacific and 171,000 in the Atlantic, was transferred between oceans so that by September lift serving the Pacific exclusive of assault shipping had increased to 428,000 spaces.

General Somervell has stated that the supply and shipping operations incident to redeployment from Europe to the Pacific presented the most complicated logistical problem ever faced by the military forces of the United States.

Never were those two basic logistical factors—time and space—and a keen realization of their influence on all operations, more all-important than in the solution of the problem presented by the six elements of redeployment which have just been outlined.

Without going into a mass of detail, let us consider one phase of the redeployment shipping program as illustrative of the problems involved.

The governing consideration was, of course, when did certain troops, equipment and supplies have to arrive in Pacific bases if they were to fulfill their role in the invasion of Japan? All plans and schedules had to be worked backward from those critical dates because a myriad of considerations had gone into the determination of the timing of that supreme effort and there was little if any leeway in that timing.

It would take fast transports a little over a month to make the voyage from Europe to the Philippines. Cargo ships carrying equipment for those troops would require at least 2 months for the same voyage. Therefore, equipment would have to be phased well ahead of the troops if it was to arrive at approximately the same time—and, of course, troops without their equipment would be a hindrance rather than a help in the forthcoming operations.

But European ports and transportation facilities were fully occupied receiving both military and civil relief supplies—could they reverse their activities and export large quantities of men and material as rapidly as would be required? Besides, the very troops engaged in such activities in Europe were the ones most sorely needed in the Pacific. The European end of the line thus had a major problem in handling redeployment shipping.

The situation was no less critical in our Pacific bases. Many facilities only recently had been wrested from the Japanese, who had taken particular pains

to destroy everything that might be useful to us. So we find a vicious circle of problems. Shipping was pouring in from the United States with many tons of materials that had been released by the cessation of hostilities in Europe. Superimposed upon those shipments were the vessels loaded with men and equipment from Europe. The men needed to handle this expanded inflow were the ones who were creating the problems. In the Pacific it seemed to be a case of pulling oneself up by one's bootstraps.

However, in spite of these many complications shipping schedules from Europe and the United States were coordinated, and redeployment was well underway when Japan surrendered. Of course there were congestions of shipping here and there, and some waste, but that is war, and no program that involves the movements of ships over the expanse of two oceans can be timed with split-second exactitude.

### PREPARATIONS FOR THE MAJOR OPERATIONS AGAINST JAPAN

Although the amphibious operations against the home islands of Japan proved to be unnecessary, shipping preparations were far advanced and many of the required vessels had been allocated and loaded, and some were en route to assembly areas. Since these final operations were to be the climax of both our military and our shipping effort in World War II, it will be interesting to note just what they would have involved in terms of shipping.

First, by way of comparison, it will be recalled that the Normandy assault involved the sea transport of 6 divisions in the initial effort while, Operation Olympic against Kyushu called for 9 divisions in the initial force, and Operation Coronet against Honshu a few months later involved 14 divisions.

The distance from the United Kingdom to the Normandy beaches was some 70 miles and the supply line from the United States to Europe was 3,500 miles long. The primary base for Olympic was the Philippines—at a distance of approximately 1,100 miles from the target area and 7,000 miles from the west coast of the United States.

No one can tell now what ultimate strength of forces would have been required had Japan persisted in a fanatical defense to the bitter end, but we can calculate from the shipping programs that were already set up, the tremendous tonnage that would have been necessary to initiate the operation.

A tabulation of shipping showing the several categories under which it was programed probably will illustrate best the magnitude of the shipping effort required.

The shipping picture in the Pacific as of August 1945 was substantially as follows:

*Dry-cargo vessels*

| | |
|---|---|
| Shipping retained or otherwise available for local employment | 319 |
| Transpacific shipping in Pacific areas | 502 |
| Shipping en route from the United States | 255 |
| Shipping en route from Europe | 164 |
| Shipping returning to United States | 125 |
| Shipping loading for the Pacific | 85 |
| Total | 1,450 |

The above total of dry-cargo shipping approximates 14,500,000 deadweight-tons or more than twice the total cargo tonnage available to the American merchant marine at the start of the war.

In addition, 428,000 troop spaces or about 184 troop transports were serving the Pacific theaters and well over 200 combat loaders or large assault ships were being groomed to load the amphibious divisions.

When we add the tankers that were being or soon would be required to supply petroleum products (estimated at some 421 tankers of 6,885,000 deadweight-tons) we arrived at the staggering total of about 22,700,000 deadweight-tons of shipping, exclusive of landing craft and naval combatant vessels, devoted solely to the support of military operations against Japan.

### BRINGING THE TROOPS HOME

With the coming of V–J Day it would seem that we could writé "finis" to the long and successful struggle to balance shipping against the demands of strategy and logistical operations—and so we could, except for the fact that some

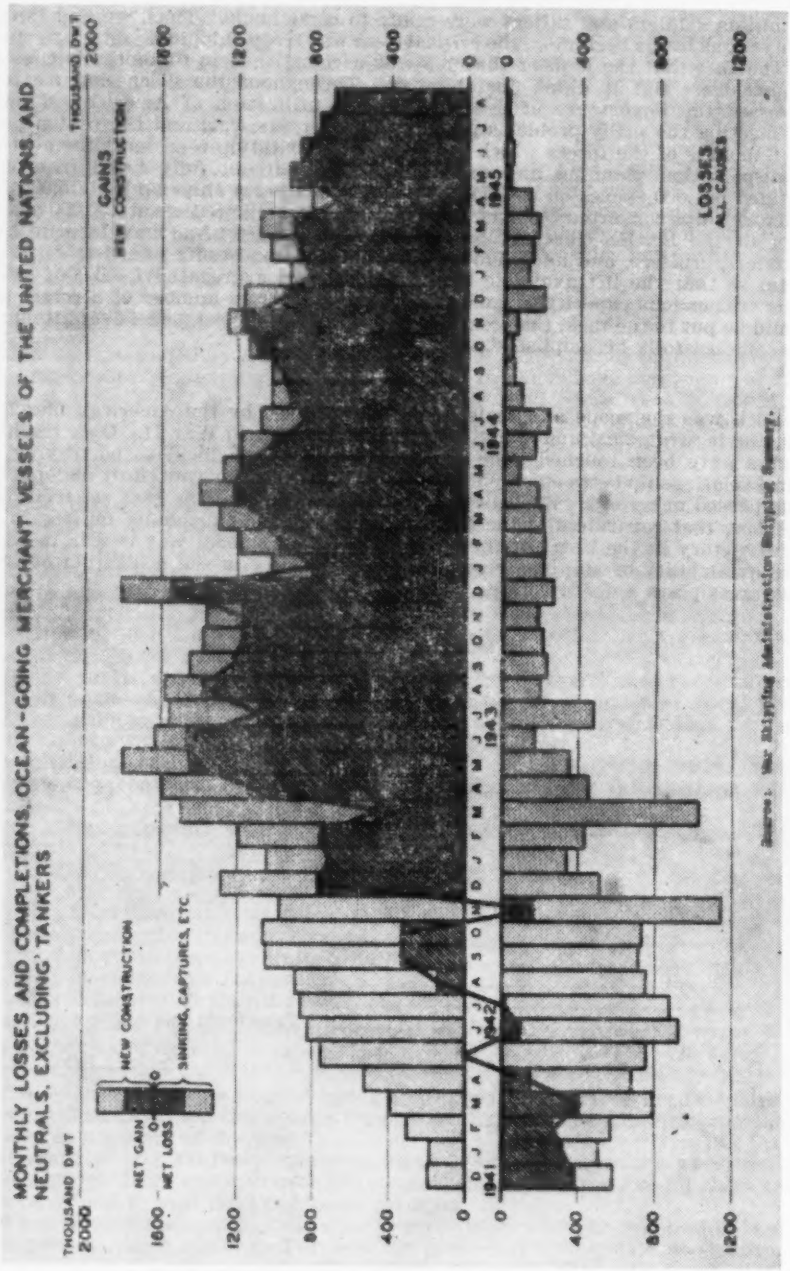
5 million soldiers and sailors were ready to come home. Thus, we find that at the end, as in the beginning, the critical item was troop shipping.

The fact that the bulk of that job was accomplished in 6 months is common knowledge. But it didn't just happen. Throughout the discussion we have stressed the importance of flexibility in the utilization of American shipping in meeting the many problems posed by an overseas war, and the return home in 6 months of the forces which took 3 years to build up represents the acme of transportation planning and execution. Troop lift in fully fitted transports totaled 661,000 spaces on V–J Day. Converted Liberty ships added 115,000 lift. Victory ships converted to carry 1,500 men each contributed about 150,000 spaces. One of the British *Queen* ships added 15,000 spaces. And naval battleships, carriers, cruisers, and miscellaneous assault ships and craft joined to swell the total so that the lift available to the Army alone aggregated 1,300,000! With this tremendous capacity, augmented by the maximum number of aircraft that could be put to the task, the greatest mass movement of personnel ever attempted was successfully accomplished.

## CONCLUSION

Such was the scope and scale of the part played by the American merchant marine in strategical and logistical operations of World War II. Only the highlights have been touched upon and many a dramatic incident portraying the vital relationship between shipping and some phase of our war effort undoubtedly has passed unnoticed. We believe, however, that enough has been set forth here to show that regardless of the fact that men and their machines must gain the final victory in the heart of the enemy's homeland, global war is war in which the availability of shipping resources and flexibility in the utilization of those resources plays a decisive role.

CHART No. 1


MONTHLY LOSSES AND COMPLETIONS, OCEAN-GOING MERCHANT VESSELS OF THE UNITED NATIONS AND NEUTRALS, EXCLUDING TANKERS
THOUSAND DWT
2000
1600
1200
800
400
0
NET GAIN
NET LOSS
NEW CONSTRUCTION
SINKING, CAPTURES, ETC.
GAINS
NEW CONSTRUCTION
LOSSES
ALL CAUSES
J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A
1941
1942
1943
1944
1945

*Breakdown by service of cargo shipped overseas for use or disposition by the Army (table to accompany graph bearing same date and title)*

[Measurement-tons]

| Year and month | CWS | Eng | Med | Ord | QM | Stg | TC | Air | Subtotals | Miscellaneous | Grand total | Navy |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1941—December | 1,513 | 84,638 | 2,237 | 13,906 | 113,338 | 6,617 | ---------- | 40,929 | 263,178 | 11,920 | 275,098 | 8,925 |
| 1942—January | 1,048 | 125,636 | 6,737 | 25,704 | 249,047 | 3,029 | ---------- | 47,048 | 458,249 | 14,704 | 472,953 | 6,122 |
| February | 1,230 | 136,898 | 5,004 | 49,923 | 352,062 | 3,091 | ---------- | 48,936 | 597,144 | 30,210 | 627,354 | 2,981 |
| March | 1,215 | 182,015 | 4,765 | 52,934 | 486,010 | 6,523 | ---------- | 66,911 | 800,373 | 79,539 | 879,912 | 2,777 |
| April | 3,894 | 187,483 | 10,788 | 69,297 | 425,243 | 6,990 | ---------- | 47,421 | 751,116 | 51,163 | 802,279 | 8,372 |
| May | 5,092 | 239,184 | 9,866 | 65,011 | 411,138 | 9,840 | ---------- | 100,313 | 840,444 | 85,329 | 925,773 | 12,847 |
| June | 5,334 | 202,094 | 12,153 | 57,336 | 387,054 | 11,111 | ---------- | 96,985 | 772,067 | 37,451 | 809,518 | 5,628 |
| July | 9,146 | 249,321 | 11,031 | 93,335 | 503,585 | 20,526 | ---------- | 111,246 | 998,190 | 91,569 | 1,089,759 | 5,525 |
| August | 5,015 | 284,472 | 19,795 | 144,202 | 839,064 | 25,379 | ---------- | 109,189 | 1,427,116 | 126,329 | 1,553,445 | 6,335 |
| September | 3,503 | 229,991 | 12,917 | 79,606 | 545,721 | 26,098 | ---------- | 97,724 | 995,560 | 69,617 | 1,065,177 | 13,822 |
| October | 5,069 | 201,180 | 13,041 | 250,877 | 418,019 | 22,988 | ---------- | 168,409 | 1,079,583 | 57,438 | 1,137,021 | 10,710 |
| November | 6,063 | 246,875 | 18,036 | 368,172 | 371,203 | 26,395 | ---------- | 171,955 | 1,208,699 | 52,477 | 1,261,176 | 25,125 |
| December | 6,027 | 240,646 | 12,931 | 295,973 | 361,428 | 20,092 | ---------- | 97,502 | 1,034,599 | 42,978 | 1,077,577 | 32,807 |
| Total | 52,636 | 2,525,795 | 137,064 | 1,552,370 | 5,349,574 | 182,062 | ---------- | 1,163,839 | 10,963,140 | 738,804 | 11,701,944 | 133,051 |
| 1943—January | 5,677 | 270,155 | 17,866 | 377,610 | 424,736 | 37,863 | 67,491 | 137,442 | 1,338,840 | 127,852 | 1,466,692 | 45,394 |
| February | 5,336 | 259,188 | 14,035 | 479,376 | 391,510 | 39,293 | 5,940 | 113,664 | 1,308,342 | 174,290 | 1,482,632 | 24,384 |
| March | 11,390 | 254,059 | 15,301 | 519,783 | 334,367 | 31,432 | 50,192 | 158,947 | 1,375,471 | 165,212 | 1,540,683 | 58,156 |
| April | 20,729 | 443,828 | 20,764 | 631,207 | 575,801 | 54,717 | 18,481 | 300,208 | 2,065,735 | 235,104 | 2,300,839 | 25,031 |
| May | 18,654 | 403,408 | 20,494 | 569,685 | 523,687 | 52,427 | 63,573 | 356,229 | 2,008,157 | 237,688 | 2,245,845 | 54,928 |
| June | 25,446 | 449,363 | 13,986 | 735,271 | 533,702 | 35,562 | 73,895 | 301,275 | 2,168,500 | 250,523 | 2,419,023 | 45,710 |
| July | 20,957 | 428,550 | 24,130 | 767,818 | 669,837 | 41,851 | 94,511 | 416,279 | 2,463,933 | 233,555 | 2,697,488 | 48,172 |
| August | 32,452 | 387,354 | 36,734 | 950,108 | 665,587 | 41,226 | 59,078 | 418,851 | 2,591,390 | 219,885 | 2,811,275 | 31,296 |
| September | 33,149 | 370,228 | 21,863 | 763,009 | 614,765 | 55,747 | 62,092 | 426,160 | 2,347,013 | 279,323 | 2,626,336 | 40,999 |
| October | 44,627 | 414,827 | 17,914 | 742,203 | 611,785 | 58,537 | 105,703 | 460,997 | 2,456,593 | 345,574 | 2,802,167 | 30,519 |
| November | 50,116 | 460,901 | 29,311 | 668,578 | 682,734 | 53,951 | 198,205 | 527,062 | 2,580,858 | 340,510 | 2,921,368 | 59,186 |
| December | 45,355 | 400,542 | 27,009 | 636,137 | 593,082 | 65,903 | 135,403 | 530,530 | 2,433,961 | 260,763 | 2,694,724 | 27,379 |
| Total | 313,888 | 4,542,403 | 259,407 | 7,840,785 | 6,621,593 | 568,509 | 844,564 | 4,147,644 | 25,138,793 | 2,870,279 | 28,009,072 | 491,154 |

*Breakdown by service of cargo shipped overseas for use or disposition by the Army (table to accompany graph bearing same date and title)*—Con.

[Measurement-tons]

| Year and month | CWS | Eng | Med | Ord | QM | Stg | TC | Air | Subtotals | Miscellaneous | Grand total | Navy |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1944—January | 46, 909 | 419, 633 | 29, 129 | 629, 502 | 755, 175 | 72, 853 | 124, 060 | 660, 487 | 2, 737, 838 | 327, 213 | 3, 065, 051 | 43, 905 |
| February | 38, 697 | 420, 584 | 35, 066 | 774, 135 | 686, 240 | 96, 991 | 177, 550 | 575, 373 | 2, 804, 636 | 284, 724 | 3, 089, 360 | 35, 434 |
| March | 40, 267 | 512, 222 | 42, 403 | 939, 828 | 816, 652 | 90, 048 | 110, 179 | 851, 977 | 3, 403, 576 | 299, 404 | 3, 702, 980 | 37, 639 |
| April | 80, 148 | 540, 982 | 44, 287 | 1, 155, 143 | 859, 629 | 93, 521 | 132, 812 | 762, 381 | 3, 668, 903 | 315, 011 | 3, 983, 914 | 56, 161 |
| May | 74, 459 | 593, 338 | 37, 109 | 1, 126, 655 | 1, 067, 252 | 87, 285 | 129, 577 | 826, 953 | 3, 942, 626 | 341, 408 | 4, 284, 034 | 61, 761 |
| June | 48, 155 | 529, 192 | 33, 298 | 1, 062, 399 | 1, 015, 026 | 69, 121 | 115, 589 | 778, 537 | 3, 651, 317 | 290, 130 | 3, 941, 447 | 69, 358 |
| July | 39, 578 | 594, 286 | 22, 175 | 1, 132, 925 | 1, 173, 737 | 70, 161 | 121, 927 | 893, 116 | 4, 047, 905 | 354, 898 | 4, 402, 803 | 44, 936 |
| August | 28, 085 | 662, 183 | 51, 074 | 1, 261, 593 | 1, 302, 974 | 86, 090 | 90, 366 | 866, 890 | 4, 349, 255 | 349, 882 | 4, 699, 137 | 76, 166 |
| September | 34, 507 | 566, 847 | 41, 269 | 1, 001, 207 | 1, 135, 200 | 75, 499 | 67, 926 | 815, 336 | 3, 737, 791 | 357, 834 | 4, 095, 625 | 49, 622 |
| October | 20, 762 | 577, 983 | 36, 501 | 1, 016, 545 | 1, 081, 357 | 69, 637 | 66, 294 | 849, 450 | 3, 718, 529 | 512, 331 | 4, 230, 860 | 54, 073 |
| November | 34, 688 | 504, 085 | 28, 139 | 957, 791 | 890, 245 | 77, 840 | 57, 334 | 603, 169 | 3, 153, 291 | 592, 148 | 3, 745, 439 | 70, 454 |
| December | 37, 107 | 609, 780 | 39, 562 | 1, 437, 210 | 1, 296, 601 | 91, 724 | 115, 447 | 584, 299 | 4, 207, 730 | 421, 151 | 4, 628, 881 | 45, 905 |
| Total | 519, 452 | 6, 531, 115 | 440, 012 | 12, 494, 933 | 12, 080, 088 | 980, 768 | 1, 309, 061 | 9, 067, 968 | 43, 423, 397 | 4, 446, 134 | 47, 869, 531 | 645, 414 |
| 1945—January | 42, 838 | 513, 890 | 33, 949 | 1, 472, 821 | 1, 216, 115 | 104, 818 | 157, 264 | 624. 893 | 4, 166, 588 | 631, 151 | 4, 797, 739 | 52, 983 |
| February | 27. 726 | 500, 325 | 34, 202 | 1, 628, 760 | 1, 187, 508 | 80, 779 | 146, 120 | 627, 073 | 4, 232, 493 | 601, 291 | 4, 833, 784 | 32, 210 |
| March | 32, 936 | 629, 765 | 47, 706 | 1, 489, 527 | 1, 693, 866 | 139, 121 | 180, 283 | 1, 009, 547 | 5, 132, 751 | 719, 795 | 5, 852, 546 | 74, 218 |
| April | 18, 721 | 539, 635 | 43, 519 | 1, 244, 157 | 1, 324, 286 | 126, 694 | 164, 593 | 982, 569 | 4, 444, 174 | 609, 842 | 5, 054, 016 | 95, 526 |
| May | 17, 735 | 533, 761 | 34, 936 | 605, 803 | 1, 639, 820 | 89, 150 | 218, 066 | 626, 257 | 3, 765, 528 | 1, 000, 522 | 4, 766, 050 | 93, 842 |
| June | 19, 385 | 775, 157 | 30, 310 | 612, 362 | 1, 412, 123 | 79, 197 | 133, 435 | 499, 676 | 3, 561, 645 | 1, 040, 244 | 4, 601, 889 | 68, 082 |
| July | 18, 986 | 711, 412 | 20, 418 | 651, 384 | 1, 239, 110 | 69, 444 | 69, 462 | 481, 821 | 3, 262, 037 | 1, 055, 750 | 4, 317, 787 | 48, 037 |
| August | 3, 200 | 412, 157 | 17, 066 | 541, 748 | 976, 306 | 39, 677 | 22, 722 | 242, 775 | 2, 255, 651 | 686, 400 | 2, 942, 051 | 24, 926 |
| September | 6, 267 | 311, 264 | 18, 829 | 264, 268 | 927, 093 | 34, 434 | 8, 972 | 63, 817 | 1, 634, 944 | 289, 465 | 1, 924, 409 | 19, 075 |
| October | 2, 555 | 299, 764 | 13, 176 | 201, 442 | 801, 575 | 25, 625 | 10, 874 | 63, 265 | 1, 418, 276 | 203, 629 | 1, 621, 905 | 6, 424 |
| November | 252 | 181, 481 | 6, 263 | 99, 414 | 633, 156 | 12, 796 | 10, 850 | 45, 601 | 989, 813 | 146, 817 | 1, 136, 630 | 2, 964 |
| December | 92 | 71, 573 | 4, 033 | 36, 087 | 368, 376 | 3, 310 | 1, 312 | 25, 166 | 509, 949 | 116, 127 | 626, 076 | 4, 058 |
| Total | 190, 693 | 5, 480, 184 | 304, 407 | 8, 847, 773 | 13, 329, 334 | 805, 045 | 1, 123, 953 | 5, 292, 460 | 35, 373, 849 | 7, 101, 033 | 42, 474, 882 | 522, 345 |
| Grand total | 1, 078, 182 | 19, 164, 135 | 1, 143, 127 | 30, 749, 767 | 37, 493, 927 | 2, 543, 001 | 3, 277, 578 | 19, 712, 640 | 115, 162, 357 | 15, 168, 170 | 130, 330, 527 | 1, 800, 889 |

The figures presented in this chart are the official figures of Army cargo shipped overseas as reported in monthly progress reports published by Statistics and Progress Branch, Control Division, OCT. All figures are final with the exception of December 1945 for which only preliminary figures were available on the date of compilation of this report.

The tonnages shown include all Army cargo lifted on Army, Navy, and commercial vessels and are exclusive of tonnage shipped by air. Planes moved under their own power and items of Marine equipment moved on their own bottoms.

The amount of TC cargo shipped prior to January 1943 is estimated at 450,000 metric tons. This amount is not included in the total of TC cargo indicated in this report as shipped overseas since the amounts of such cargo, separate breakdowns for which are not readily available, are presumed to be included in the totals for various other services.

The total of lend-lease cargo delivered by the Army for the period covered by this report is estimated at 2,831,000 metric tons. Breakdowns that would show by months and years the amounts of lend-lease, civil affairs and other types of cargo comprising the totals of miscellaneous cargo are not available for inclusion in this report.

Figures listed under the heading "Navy" are for Navy cargo moved on Army operated vessels and are not included in the columns showing subtotals or grand totals.

CHART NO. 2

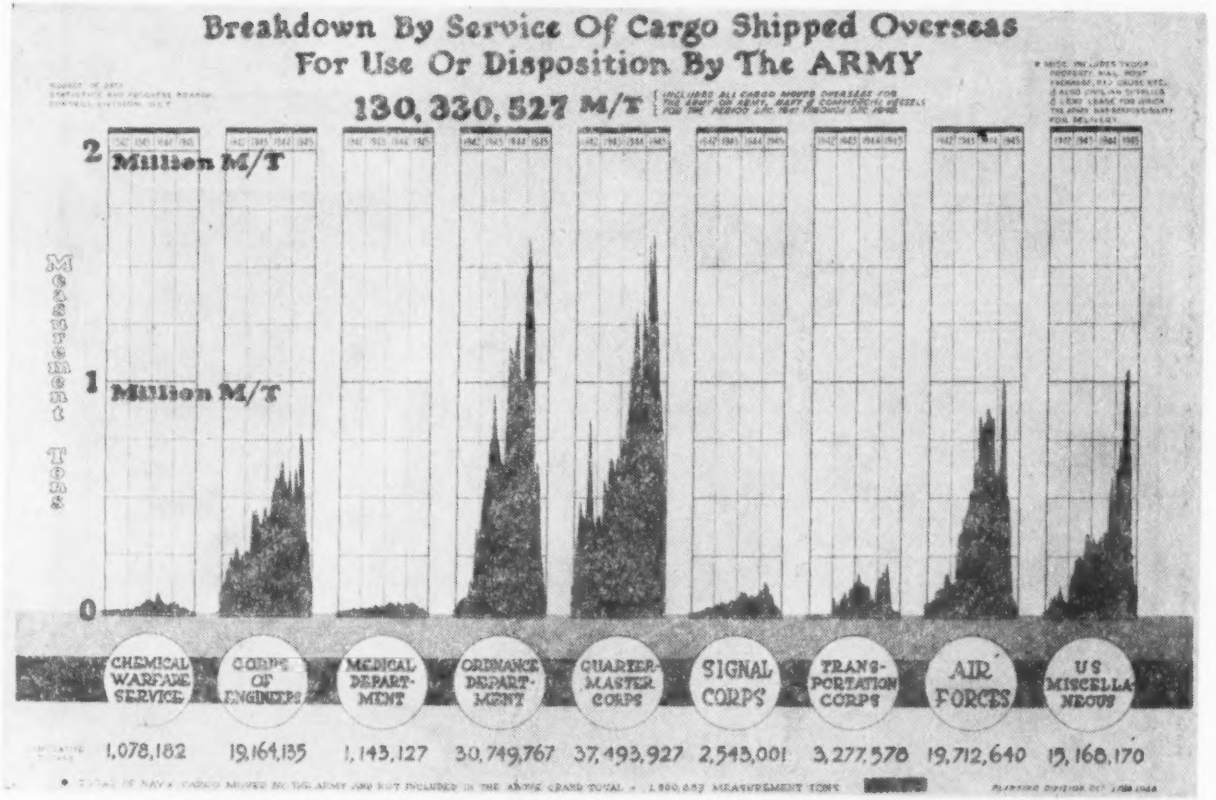

Breakdown By Service Of Cargo Shipped Overseas
For Use Or Disposition By The ARMY
130,330,527 M/T
2 Million M/T
1 Million M/T
0
Measurement Tons
CHEMICAL WARFARE SERVICE
CORPS OF ENGINEERS
MEDICAL DEPARTMENT
ORDNANCE DEPARTMENT
QUARTERMASTER CORPS
SIGNAL CORPS
TRANSPORTATION CORPS
AIR FORCES
US MISCELLANEOUS
1,078,182
19,164,135
1,143,127
30,749,767
37,493,927
2,543,001
3,277,578
19,712,640
13,168,170

CHART No. 3

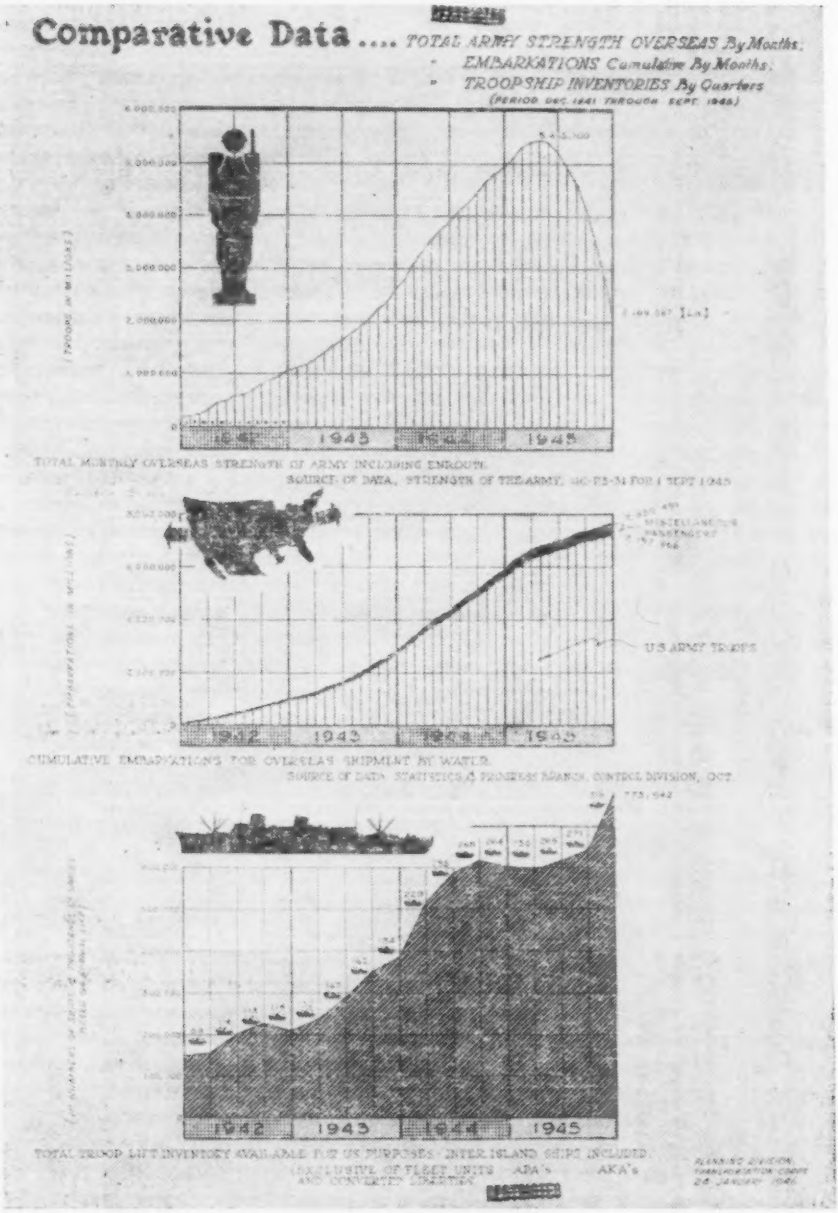
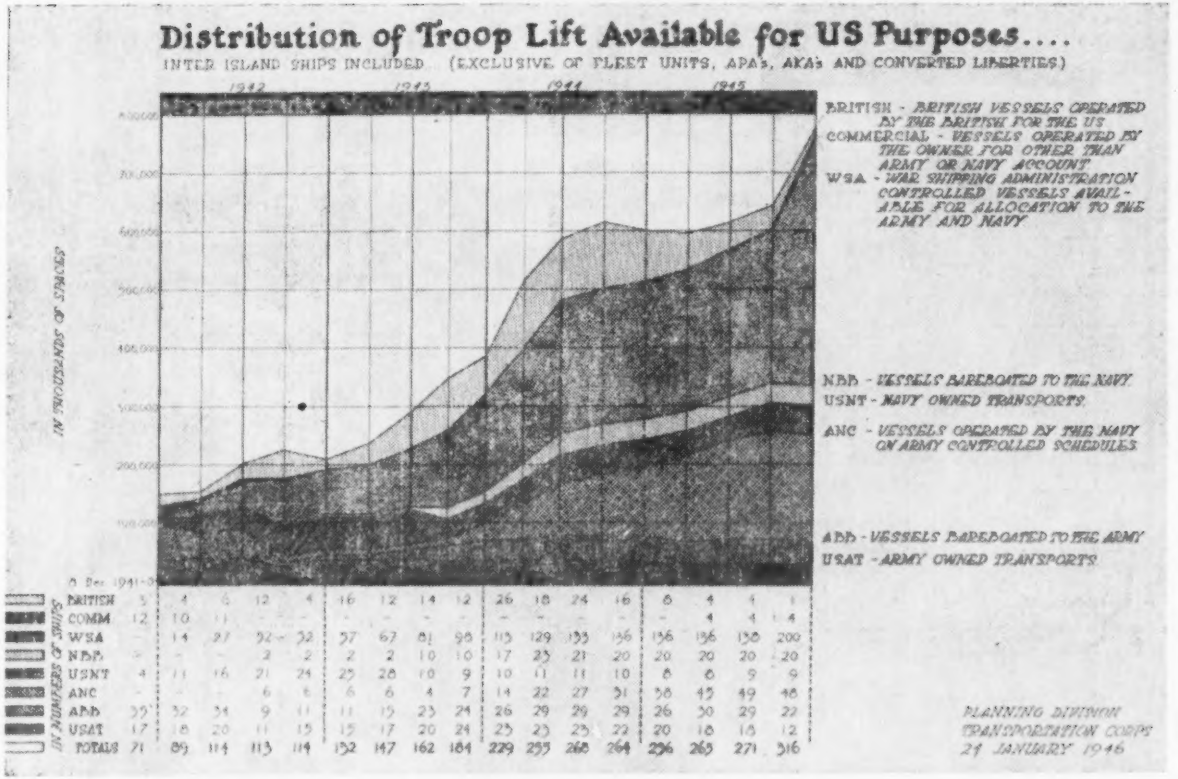
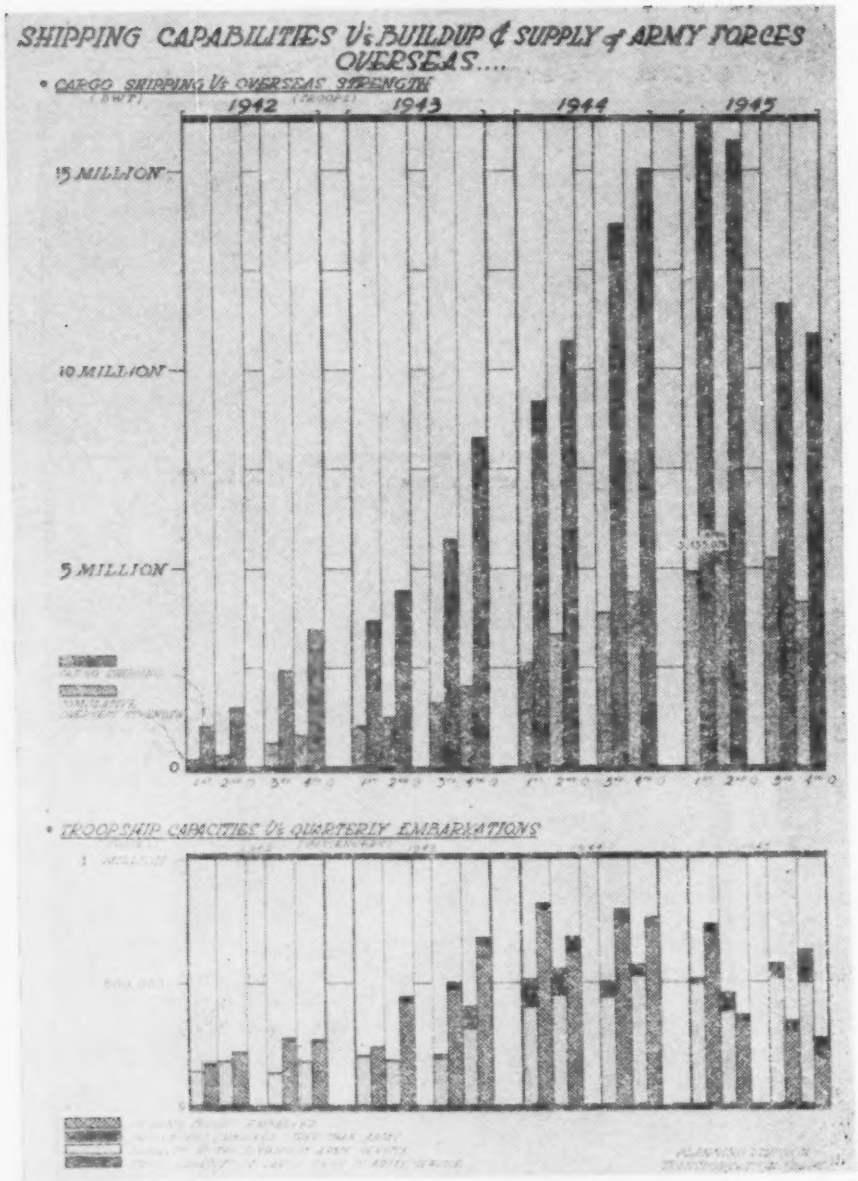

Comparative Data .... TOTAL ARMY STRENGTH OVERSEAS By Months.
EMBARKATIONS Cumulative By Months.
TROOPSHIP INVENTORIES By Quarters
(PERIOD DEC 1941 THROUGH SEPT 1945)
1942
1943
1944
1945
TOTAL MONTHLY OVERSEAS STRENGTH OF ARMY INCLUDING ENROUTE
SOURCE OF DATA, STRENGTH OF THE ARMY, WD-PS-M FOR 1 SEPT 1945
MISCELLANEOUS
U.S ARMY TROOPS
1942
1943
1944
1945
CUMULATIVE EMBARKATIONS FOR OVERSEAS SHIPMENT BY WATER
SOURCE OF DATA STATISTICAL PROGRESS BRANCH, CONTROL DIVISION, OCT
1942
1943
1944
1945
TOTAL TROOP LIFT INVENTORY AVAILABLE FOR US PURPOSES INTER-ISLAND SHIPS INCLUDED
(EXCLUSIVE OF FLEET UNITS APA's AKA's
AND CONVERTED LIBERTIES)

CHART No. 4

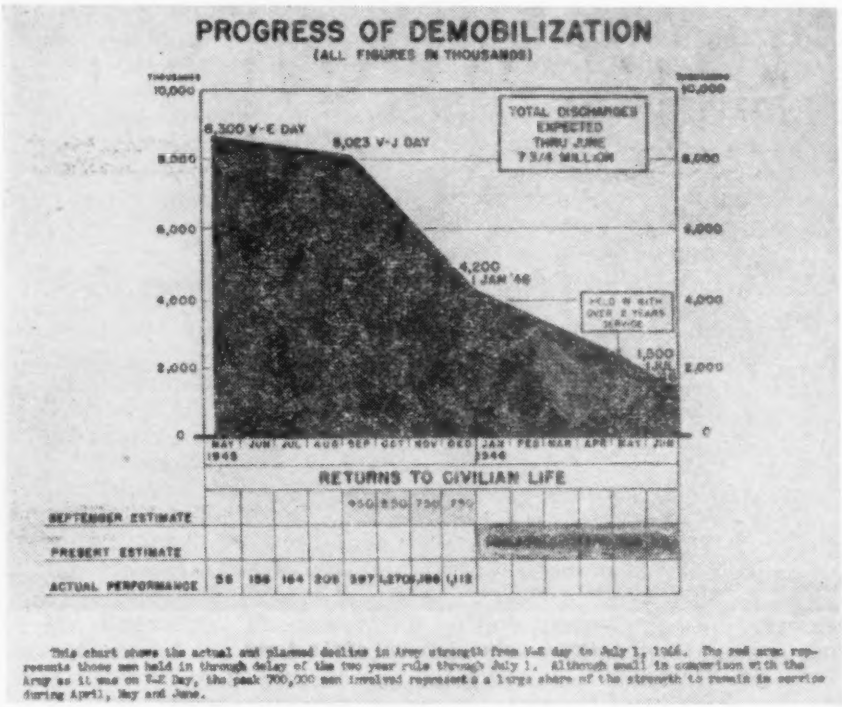

Distribution of Troop Lift Available for US Purposes....
INTER ISLAND SHIPS INCLUDED (EXCLUSIVE OF FLEET UNITS, APA's, AKA's AND CONVERTED LIBERTIES)
1942
1943
1944
1945
IN THOUSANDS OF SPACES
IN NUMBERS OF SHIPS
BRITISH - BRITISH VESSELS OPERATED BY THE BRITISH FOR THE US
COMMERCIAL - VESSELS OPERATED BY THE OWNER FOR OTHER THAN ARMY OR NAVY ACCOUNT
WSA - WAR SHIPPING ADMINISTRATION CONTROLLED VESSELS AVAILABLE FOR ALLOCATION TO THE ARMY AND NAVY
NBB - VESSELS BAREBOATED TO THE NAVY
USNT - NAVY OWNED TRANSPORTS
ANC - VESSELS OPERATED BY THE NAVY ON ARMY CONTROLLED SCHEDULES
ABB - VESSELS BAREBOATED TO THE ARMY
USAT - ARMY OWNED TRANSPORTS
PLANNING DIVISION
TRANSPORTATION CORPS
21 JANUARY 1946

| | 8 Dec 1941 | 30 Jun 42 | 31 Dec 42 | 30 Jun 43 | 31 Dec 43 | 30 Jun 44 | 31 Dec 44 | 30 Jun 45 | 31 Dec 45 | 30 Jun 46 | 31 Dec 46 | 30 Jun 47 | 31 Dec 47 | 30 Jun 48 | 31 Dec 48 | 30 Jun 49 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BRITISH | 5 | 4 | 6 | 12 | 4 | 16 | 12 | 14 | 12 | 26 | 18 | 24 | 16 | 6 | 4 | 4 | 1 |
| COMM | 12 | 10 | 11 | – | – | – | – | – | – | – | – | – | – | – | 4 | 4 | 4 |
| WSA | – | 14 | 27 | 32 | 32 | 57 | 67 | 81 | 98 | 113 | 129 | 133 | 136 | 136 | 136 | 136 | 209 |
| NBB | – | – | – | 2 | 2 | 2 | 2 | 10 | 10 | 17 | 23 | 21 | 20 | 20 | 20 | 20 | 20 |
| USNT | 4 | 11 | 16 | 21 | 24 | 25 | 28 | 10 | 9 | 10 | 11 | 11 | 10 | 8 | 6 | 9 | 9 |
| ANC | – | – | – | 6 | 6 | 6 | 6 | 4 | 7 | 14 | 22 | 27 | 31 | 38 | 45 | 49 | 48 |
| ABB | 33 | 32 | 34 | 9 | 11 | 11 | 15 | 23 | 24 | 26 | 29 | 29 | 29 | 26 | 30 | 29 | 22 |
| USAT | 17 | 18 | 20 | 11 | 15 | 15 | 17 | 20 | 24 | 25 | 23 | 25 | 22 | 20 | 18 | 18 | 12 |
| TOTALS | 71 | 89 | 114 | 113 | 119 | 152 | 147 | 162 | 184 | 229 | 255 | 268 | 264 | 296 | 263 | 271 | 316 |

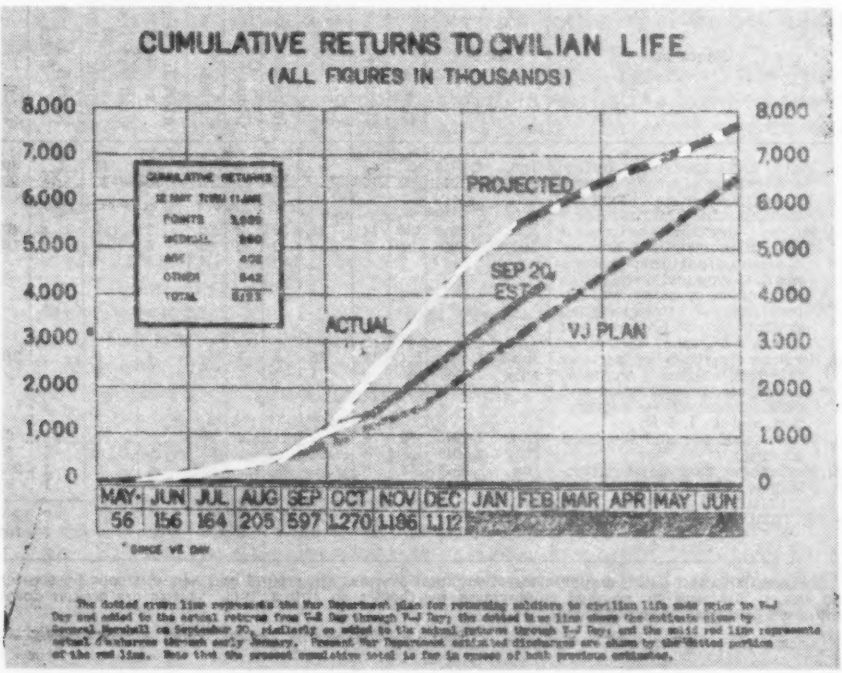
CHART No. 5


SHIPPING CAPABILITIES V/S BUILDUP & SUPPLY of ARMY FORCES OVERSEAS....
• CARGO SHIPPING V/S OVERSEAS STRENGTH
1942
1943
1944
1945
15 MILLION
10 MILLION
5 MILLION
0
• TROOPSHIP CAPACITIES V/S QUARTERLY EMBARKATIONS

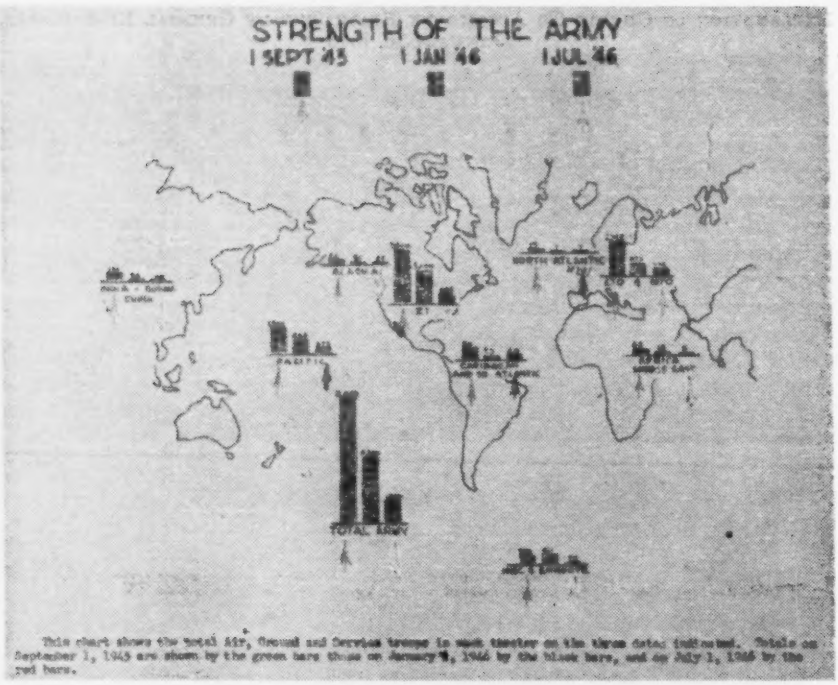
EXPLANATION OF CHARTS TO ACCOMPANY STATEMENT BY GENERAL EISENHOWER, JANUARY 15, 1946




This chart shows the actual and planned decline in Army strength from V-E day to July 1, 1946. The red area represents those men held in through delay of the two year rule through July 1. Although small in comparison with the Army as it was on V-E Day, the peak 700,000 men involved represents a large share of the strength to remain in service during April, May and June.




The dotted green line represents the War Department plan for returning soldiers to civilian life made prior to V-J Day and added to the actual returns from V-E Day through V-J Day; the dotted blue line shows the estimate given by General Marshall on September 20, similarly an added to the actual returns through V-J Day; and the solid red line represents actual performance through early January. Present War Department estimated discharges are shown by the dotted portion of the red line. Note that the present cumulative total is far in excess of both previous estimates.




This chart shows the total Air, Ground and Service troops in each theater on the three dates indicated. Totals on September 1, 1945 are shown by the green bars; those on January 1, 1946 by the black bars, and on July 1, 1946 by the red bars.

*Overseas employment of the Army*

[In thousands]

| Function | Date | Europe | Mediterranean | Africa-Middle-East | India-Burma | China | Pacific | Alaskan Department | Caribbean Defense Command and South Atlantic | North Atlantic Bases | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. Police and supervisory duties: Supervision of enemy governments; demolition of fortifications; security; unit training. | Jan. 1, 1946 | 132 | 15 | ------ | 2 | 5 | 311 | 11 | 14 | ------ | 490 |
| | July 1, 1946 | 98 | 15 | ------ | 1 | 3 | 153 | 10 | 17 | ------ | 297 |
| 2. Supply system: Development and maintenance of lines of Communications; procurement, storage and distribution of supplies; operation and supervision of transportation system; surplus property and enemy material. | Jan. 1, 1946 | 166 | 14 | 13 | 22 | 3 | 259 | 5 | 9 | 6 | 497 |
| | July 1, 1946 | 73 | 2 | 4 | 2 | 2 | 80 | 5 | 9 | 6 | 183 |
| 3. Services: Provision of services (medical, signal, engineer, postal, etc.); construction and maintenance; graves registration; morale, I. & E. | Jan. 1, 1946 | 111 | 13 | 5 | 3 | 1 | 164 | 4 | 9 | ------ | 310 |
| | July 1, 1946 | 61 | 6 | 1 | 1 | 1 | 82 | 4 | 9 | ------ | 185 |
| 4. Prisoners of war and displaced persons. | Jan. 1, 1946 | 50 | 4 | ------ | ------ | ------ | 43 | ------ | ------ | ------ | 97 |
| | July 1, 1946 | 25 | 3 | ------ | ------ | ------ | 25 | ------ | ------ | ------ | 53 |
| 5. Ineffectives: Redeployment; furloughs; sick. | Jan. 1, 1946 | 163 | 5 | ------ | 28 | ---- | 88 | 4 | 6 | 1 | 295 |
| | July 1, 1946 | 50 | 2 | ------ | ------ | ------ | 35 | 3 | 5 | 1 | 96 |
| Total | Jan. 1, 1946 | 622 | 51 | 18 | 55 | 9 | 865 | 24 | 38 | 7 | 1689 |
| | July 1, 1946 | 307 | 28 | 5 | 4 | 6 | 375 | 22 | 40 | 7 | 794 |

NOTE.—This chart shows employment of our total overseas air, ground and service troops by theater on Jan. 1, 1946, and the planned employment by theater on July 1, 1946. Duties are broken down into the 5 principal categories shown.

Mr. TOLLEFSON. As I understood that arrangement, the United States did not exactly pay England so much per soldier transported, but it was a part of the pooling arrangement, was it not?

Mr. FRANKLIN. I was always under the impression that it was reverse lend-lease. Of course, I did not get into the financial side. I did not make the arrangements with the British, but I always understood it was a lend-lease situation, and I do know that $100 was the price of 1 soldier and that in the summertime, the *Queens* running from New York to their terminal on the other side in Scotland where they lay in the stream and discharged the troops, carried in the summertime 15,000 troops. They could only carry 15,000 by putting 5,000 men on deck and letting them shift bunks with another 5,000 at intervals. They did not have bunk capacity for 15,000. The *Queens* did not have the space that the Steamship *United States* will have when fitted for carrying troops except by this double bunking which I am talking about which, of course, was impossible in the winter.

Mr. TOLLEFSON. Whatever the arrangement, it is safe to say that it cost the United States $100 for each soldier transported from the United States to Europe on the *Queens?*

Mr. FRANKLIN. The Queens and the *Aquitania.*

Mr. TOLLEFSON. So that, if one of the *Queens* carried 15,000 troops, that cost us $1.5 million?

Mr. FRANKLIN. That is right.

Mr. TOLLEFSON. And there were quite a few of those trips, as you have indicated.

Mr. FRANKLIN. There were 7.5 million troops, military personnel moved abroad during the war, and the *Queens* and the *Aquitania* carried either 7.5 or 10 percent. My recollection is about 750,000.

Mr. TOLLEFSON. And $100 apiece represents a big figure.

Mr. FRANKLIN. Yes, sir.

Mr. TOLLEFSON. Would we not have been better off if we had additional troop-carrying capacity of our own?

Mr. FRANKLIN. There is no doubt about that. You must also bear in mind, as Admiral Mumma points out, that you had to carry troops—such was the exigency of the situation—in ships that were very inadequate for troop carrying, slow ships.

Mr. TOLLEFSON. This question is a little aside, but it is connected. During World War II what was the No. 1 priority, so far as you were concerned?

Mr. FRANKLIN. During World War II?

Mr. TOLLEFSON. Yes.

Mr. FRANKLIN. The No. 1 priority, sir, for shipping was the 27-million-ton British import program. That was No. 1 priority. When the Russians entered the war the orders were to find ships to move 450,000 tons a month to Murmansk which, of course, was murder, and to Vladivostok from Portland, Oreg.

Mr. TOLLEFSON. My purpose in asking the question was to get in the record again that statement which you have made here previously which bears out the importance of the American merchant marine as far as our national defense or our military program is concerned.

Mr. FRANKLIN. Well, it was not until the spring of 1945 that there were enough ships. Mind you, this country was allied with the British and the French, and except for the Japanese and the Germans they were the biggest maritime powers in the world, and it was not

until the spring of 1945 that there were ships enough to meet all the requirements.

Mr. TOLLEFSON. What was the original cost of the steamship *United States*?

Mr. FRANKLIN. The original cost of the steamship *United States* was $77 million.

Mr. TOLLEFSON. And the Government bore a part of that cost as a construction subsidy?

Mr. FRANKLIN. Well, first the Government bore $25 million as national defense allowance. Then they bore about 40 percent construction differential subsidy about $18 million for construction differential subsidy. That is a total of $44 million, but that does not include the hotel equipment and that kind of thing, so that the ship now stands us on our books today at $35 million.

Mr. TOLLEFSON. If a new *United States* or a sister ship is built, a similar arrangement will be made by the Government; in other words, the Government will stand the defense features cost plus the construction differential subsidy, and then your company will finance the balance?

Mr. FRANKLIN. That is what is contemplated, sir, as I understand it. That is according to our conversations with Mr. Morse and the gentlemen that assist him.

Mr. TOLLEFSON. In other words, the United States Lines, as such, will be putting up quite a few millions of dollars.

Mr. FRANKLIN. We think so. It is a big lot of money for us.

Mr. TOLLEFSON. This to too early in the game to ask you how much you are expecting to put into this new ship.

Mr. FRANKLIN. Yes, sir. I think it is early to try to state that. We are limited, of course, by what money we have, what money the company has, but I do think it is important as to the interest rate. Say that we put up $10 million in cash on $35 million. That is $25 million. On the *United States* we borrowed from the Government. We pay off one-twentieth a year and the interest rate is 3½ percent. An additional 1 percent on a thing of that kind is of very great importance. Whatever money we get for the *America*, of course, will give us that much more resource for a new ship.

Mr. TOLLEFSON. Will the bill that we approved in this committee which provides for 100 percent insured loans on this type of vessel be of any help in obtaining financing?

Mr. FRANKLIN. I don't think you can generalize about that. I will be perfectly honest with you that I don't think it would help us because I think we could borrow the money without that provision. It seems to me that that would only help people that are very short of money. To pay one-half of 1 percent, 0.5 percent for the guaranty, of course, you have to add that on to whatever you can borrow from the insurance company.

Mr. TOLLEFSON. That is all, Mr. Chairman.

The CHAIRMAN. Have you questions?

Mr. BYRNE. I have no questions.

The CHAIRMAN. Mr. Allen.

Mr. ALLEN. General Franklin, just to get the statement categorically in the record, could you have used two ships such as the *United States* during all the time of World War II?

Mr. FRANKLIN. Oh, yes. We could have used 40. That is easy because, as Admiral Mumma very properly said, having more of those big ships would have relieved the necessity of using 15-knot ships and some 10-knot ships to carry troops.

After the Germans surrendered the problem was hard to get the troops home and on the redeployment to Japan. We converted 100 Victorys. We did not quite get it done because the Japanese surrendered before it was necessary. We got, I think, about 70 Victorys and put accommodations on them for 1,500 troops, and I think we did that in about 6 weeks on a ship and a cost of $350,000.

Mr. ALLEN. It is a pretty hard question to answer, but could you give us any estimate as to how much the war might have been shortened or how many lives might have been saved through either a shorter war or lessening in lives lost at sea if you had had 5 or 10 of the steamship *United States* type ships available?

Mr. FRANKLIN. Well, sir, I can say this: That is a pretty hard thing to do, but I think one statement that I have made before that is very important is that, if it had not been for the *America*, the *President Coolidge*, the *President Harding*, the *Manhattan*, and the *Washington*, and some of the other passenger ships, you would never have been able to move troops. The British could not supply us with ships. Their ships were all busy. You never would have been able to move the six divisions that went to Australia and probably stopped the Japanese from capturing Australia. Think how much longer that would be. Anybody can argue and say, "You are wrong," but they can't prove I am wrong and, in my opinion, that is a fact.

Now, if the Japs had taken Australia, how many thousands of American lives would have been lost and how much longer the war would have gone on is terrific. That was a hurry-up job in getting those six divisions out there.

Mr. ALLEN. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Dingell, do you have any questions?

Mr. DINGELL. No, thank you.

The CHAIRMAN. Mr. Seely-Brown?

Mr. SEELY-BROWN. General, I have just one other question for the record. Is it not your opinion that it would be cheaper to carry troops if necessary in a ship such as the *United States*, which can operate reasonably independently, than it would be to carry the same number in smaller, slower ships, which would require a convoy?

Mr. FRANKLIN. There is no question about that.

Mr. SEELY-BROWN. Just in dollars and cents.

Mr. FRANKLIN. Just in dollars and cents.

Mr. SEELY-BROWN. It is sometimes cheaper to do it with the bigger, faster ship.

Mr. FRANKLIN. It is much cheaper.

Mr. SEELY-BROWN. Thank you.

The CHAIRMAN. Are there any questions?

Mr. VAN PELT. General, I wonder whether you would care to comment on this statement made here this morning about not opposing the sale of the *America* to a NATO ally?

Mr. FRANKLIN. Well, sir, I would think that the State Department and the Defense Department views would be guiding on that. I don't think my view would be of any value.

Mr. VAN PELT. That is all.

The CHAIRMAN. Mr. Mailliard?

Mr. MAILLIARD. I would like to see what General Franklin's general views might be as to possible use of the *America*.

You have heard the conversation that has gone on here this morning including the possibility that she might continue to be operated under the American flag. Do you have comment on that?

Mr. FRANKLIN. Yes, I have. We have put all kinds of figures on the *America* as to where she could make money. Of course, she can't make money. We can't use her anywhere unless she is subsidized.

You would have to, in our opinion, considerably rebuild the *America* and, mind you, she would be 20 years of age, so that I do not think it would be justified to increase her capacity.

The *America* has 300,000 cubic feet of cargo space. When we built her we figured on using that space because we were going to work 4 ships on a 4-weekly turn. The cost of the crews now is so heavy that the *America*, for example, costs us $20,000 a day in port. You cannot handle more than a thousand tons of cargo, so that that is $20 a ton. You take 40 percent off for handling and it is obvious that you lose money. She is going backward and forward with all that space in her that we are not using. I don't think that you can use the *America*. I am sure you cannot run the *America* anywhere under the American flag without a subsidy. I don't think that the Federal Maritime Board, to tell you the truth, would be justified in subsidizing her after these 20 years of age. What they want is new ships. That is what we all want.

I don't think there is anything you can do with the *America* but to lay her up or sell her to a NATO country. They can run her with one-third, or 25 percent of the crew costs that we can run her.

Mr. MAILLIARD. Have your people given any thought to the possibility of converting her to a different type of service where you might be able to carry enough additional passengers? I presume you heard the question I asked as to whether her economic life would not be greater than 20 years in view of the fact that she was reconverted after the war. Was there any material modernization in that reconversion, or was it just simply interior decoration?

Mr. FRANKLIN. No, sir. She was put back in exactly the same shape. That was our agreement with the Navy. It was exactly the same shape as she was in when they requisitioned her, ordinary wear and tear excepted.

Now, you are perfectly right that they did repair the main machinery. They put the main machinery back in good working order, in good shape, and from that point of view, and of course from the point of view of the furniture and the fittings, her life was extended; but I cannot say materially.

Mr. MAILLIARD. As far as you can see now, there probably is not any satisfactory commercial use for her when she is replaced on this run.

Mr. FRANKLIN. All I know is that, from our own point of view, sir, we cannot use her. We cannot figure a place to use her where you get a new dollar back for an old dollar.

Mr. MAILLIARD. That is all, Mr. Chairman.

Mr. DORN. Could you tell me whether or not you feel that it would be advisable for this committee to authorize additional ships, besides this contemplated replacement, of the same general character?

Mr. FRANKLIN. Sir, the only ships that have ever been successful commercially, ships of this kind of which we are talking particularly, are ships that have been designed for a particular run. Those are the only ships that have ever made money. You have to design a ship for one run if you are going to be successful.

I think that it is even very important in the cargo ships but, on the other hand, it isn't anything like as much reason for it in the cargo ships as in the passenger ships. I can think of no other run, no other route where a ship like the steamship *United States* could be used.

Mr. DORN. If this committee were to authorize ships similar to the *United States*, you would feel that it could never be commercially worthwhile to any group or any company to run?

Mr. FRANKLIN. A ship of the general characteristics of the *United States?*

Mr. DORN. Yes, such a large ship.

Mr. FRANKLIN. I don't think they could. For instance, if you tried to run it to South America, as an example, you have the trouble that you would not have hotel accommodations enough for 1,750 people arriving at one time. You certainly couldn't run her across the Pacific.

Mr. DORN. Say it was a competing ship to your ship. Could the trade stand it?

Mr. FRANKLIN. A competing ship to our ship on the North Atlantic run?

Mr. DORN. Yes; say to some other ports.

Mr. FRANKLIN. She couldn't go to any other ports. I don't think that under the American flag you could stand more than a ship a week. That is my opinion.

Mr. DORN. What I am getting at is what you and the admiral referred to, that in time of national emergency we could use, as each of you indicated, almost dozens of these ships; and it would seem to me feasible to look into whether or not more than just one additional ship should be contemplated.

Mr. FRANKLIN. Well, sir, I don't think it could support more than two across the Atlantic of these big ships. It is like everything else you have. It is all a question of the cost.

Now, of course, it would be fine to have a number of these big ships in wartime, but at the same time you can say that about a lot of things.

Mr. DORN. Thank you very much.

Mr. FRANKLIN. Thank you, sir.

The CHAIRMAN. Thank you very much, General.

Mr. FRANKLIN. Thank you, Mr. Chairman.

The CHAIRMAN. The committee is pleased and delighted to have as the next witness a former member of our staff, a very fine gentleman, one in whom we are greatly interested. We are happy to see him in the position he now holds. Mr. Casey.

## STATEMENT OF RALPH E. CASEY, PRESIDENT, AMERICAN MERCHANT MARINE INSTITUTE, INC.

Mr. CASEY. Thank you, Mr. Chairman.

I appear here today on behalf of the American Merchant Marine Institute, which, as you know, represents a great majority of the American flag shipping companies.

The CHAIRMAN. Mr. Casey, will you give your name.

Mr. CASEY. Ralph E. Casey, president of the American Merchant Marine Institute.

I might say, Mr. Chairman, that I think I would feel much more comfortable on the other side of that table.

I should first like to compliment this committee for its interest in calling this hearing and taking an interest in this project at this early stage. I am sure that many of the problems that arose in connection with the steamship *United States* can be avoided and certainly will be avoided by a cooperative effort on the part of the Congress and the administration, the General Accounting Office, and the company, where everyone knows what is going on at all times. The pitfalls of the *United States* certainly will never be repeated, in my opinion.

While this hearing is dedicated to the issues involved in the replacement of one vessel belonging to one American steamship company, we believe that the considerations involved are far from a one-company proposition. They extend over the broad area of our national maritime policy, the country's defense, and the general well-being of the American public. In fact, these broad implications are well covered in an editorial which appeared in the Washington Evening Star just 5 days ago, on Saturday, July 7; which, if you do not already have it, Mr. Chairman, I should like to have included in the record at this point. I will not read the editorial, but there are one or two points in it that I think are worthy of mention at this time.

It points out that the 4-year record of the *United States* has been uniformly excellent and that she has set new speed marks on her first round-trip crossing and has been the blue-ribbon ship of the American merchant marine ever since.

While the editorial mentions the speed factor, I know that anyone that has crossed on that ship knows that it is a blue-ribbon ship in many ways, the food, the accommodations, and service, everything about that ship is just topnotch.

The editorial does read as follows:

> The commercial need for a sister ship is becoming increasingly clear. The *United States* currently is paired in service with the *America*, a slower and smaller ship built in 1940. The differences between the two results in an unbalanced schedule, a circumstance that is contrary to most effective shipping operations.

I think that point is very important.

The CHAIRMAN. This editorial will be included in the record.

(The editorial referred to follows:)

[From the Evening Star, Washington, D. C., July 7, 1956]

NEW SUPERLINER

Plans for a new transatlantic superliner to operate as a sister ship of the *United States* are reaching an advanced stage of discussion between officials of Government and of the shipping industry. It is a project that appears to have considerable merit from both an economic and national-defense standpoint.

The 4-year record of the *United States* has been uniformly excellent. On her first round-trip crossing she set new speed marks that have not been matched by any other ship since. For the past year she has been operating at 95 percent of capacity—considerably higher than average and well beyond the break-even point for profitable service. Greater than expected economy in fuel consumption has increased the profit factor even further and has attested to the soundness of the ship's design. As a troop carrier, she could carry 12,000 men without adding supplies or fuel for 15,000 miles.

The commercial need for a sister ship is becoming increasingly clear. The *United States* currently is paired in service with the *America*, a slower and

smaller ship built in 1940. The differences between the two result in an unbalanced schedule, a circumstance that is contrary to most effective shipping operations. The *America*'s operating subsidy from the Government is due to end in 1958 unless a contract for replacement has been agreed upon before that date. Estimated cost of a new ship is placed at nearly $100 million—about 60 percent to be paid by the Government—but expected heavier earnings make it economically attractive. In addition, the American shipbuilding industry—also essential to national defense—would benefit from a job of this size.

Mr. CASEY. As is undoubtedly well known to this committee, the American passenger fleet has never recovered from the consequences of World War II. In September 1939 there were 123 American passenger ships in commercial operation with a single-trip passenger lift of close to 38,000 travelers. Today this fleet consists of but 39 ships with single-trip passenger lift capacity of only 11,170 passengers. Of perhaps even greater significance from the national-defense point of view, of our 39 passenger ships now in operation only 4 are capable of sustained speeds of over 20 knots, while 23 ships operate at below 18 knots. Fortunately, that situation will be corrected to some extent at least by the new passenger ships now under commitment to be built.

What has been said publicly, and perhaps privately to you as individuals, by the military, of the speed and size of a potential enemy's submarines makes it unnecessary for us to spell out the serious deficiency in the potential troop lift capacity of our existing fleet.

Upon completion of the present construction program for which commitments have already been made, our passenger fleet will still represent only about one-half of its prewar tonnage. In contrast, the United Kingdom will, upon completion of the passenger ships presently under construction, be 81 percent of its prewar size. The Netherlands will have 88 percent of its prewar fleet, and France 71 percent. Spain will have doubled its gross tonnage of 1939, while Greece, Norway, and Sweden will have passenger tonnage equal to or greater than that which existed at the outbreak of World War II.

On the north European run alone, about 40 passenger vessels are in operation, only 2 of which fly the American flag. This means that today we are carrying less than 25 percent of the passengers on this route, the most popular of all for transocean travel.

The replacement of the steamship *America* with a sister ship to the steamship *United States* would increase American-flag North Atlantic passenger accommodations, per annum, by some 54,000. This would be the equivalent of adding over 40 percent to the presently available passenger space on American-flag ships in this trade.

It is to be hoped that the ship would be built within the framework of the present provisions of the Merchant Marine Act of 1936, but if it cannot feasibly, then appropriate special legislative treatment is warranted and entirely justified. In any event, the American Merchant Marine Institute believes that this new superliner should—I might even say must—be built as a private enterprise. It will make a tremendous contribution not only to the American merchant marine but to the prestige and greater glory of the United States of America, to say nothing of its value as a national-defense asset.

I want to say in all seriousness that anyone who has watched the *United States* steam up the North River in New York or seen it lay in Le Havre or Southampton cannot help but feel that the whole merchant marine is represented by that flagship and feel a sense of pride at the fact that we are able to build that ship in the United States.

That is all, Mr. Chairman.

Mr. TOLLEFSON. I can only think of one thing better and that is to be on it at the time.

Mr. CASEY. I will agree with that.

The CHAIRMAN. Mr. Casey, I wish you would make some arrangements whereby the chairman of this committee might have that pleasure some day.

Mr. CASEY. I would be very happy to try, sir.

The CHAIRMAN. Mr. Casey, on page 2 in your reference to construction now in the United Kingdom, France, Greece, and so forth, there is a very important bill being discussed on the floor of the House today, an appropriations bill that awards to these countries vast sums of money. Where are these countries, if they are needing Americans aid, getting the money to build these ships?

Mr. CASEY. Well, as usual, that is a tough question; but they are building these ships. From all the information that we have, these countries in many cases are granting aid to companies. Sometimes the company itself is government-owned. The stock is owned by the government.

Of course, in many cases, I believe that our international policy has been that these maritime nations are to build themselves up economically through their merchant marines and unfortunately, while they are building themselves up, we are trying to compete with them.

The CHAIRMAN. Does your association have any knowledge of just what contribution, for instance, the United Kingdom or France makes to the construction of this type ship?

Mr. CASEY. I believe that information is available, Mr. Chairman. I do not have it at the minute. I do know that, in talking to the French last year, while in Europe, the fact was mentioned that the new superliner that the French were contemplating building was going to be done with extensive aid from the French Government.

The CHAIRMAN. How does that French liner or the British liner compare with this ship?

Mr. CASEY. The talk that I have heard about the French liner makes it quite a ship. I think it is a 31-knot ship. I think their thought is at least to try to build a ship that will compare in quality with the *United States*.

The CHAIRMAN. What about the British?

Mr. CASEY. I am not too familiar with what ships are presently being built in the United Kingdom as far as passenger ships are concerned.

The CHAIRMAN. Mr. Tollefson.

Mr. TOLLEFSON. Are not the Norwegians building a superliner, too, or have they completed it?

Mr. CASEY. I think that they are building a sister ship to one of their present fleet.

Mr. SEELY-BROWN. They just built one. She made her maiden voyage last week.

Mr. TOLLEFSON. I have no further questions, Mr. Chairman.

The CHAIRMAN. I was trying to direct my point to countries that are receiving vast amounts of money in this appropriations bill that is now before the House. If they are able to do all this, why, I am just wondering what is the necessity for American dollars and American taxpayers' money going to help them build ships when we raise the question as to whether we should build a ship.

Mr. Robeson?

Mr. ROBESON. I have no questions.

The CHAIRMAN. Mr. Allen?

Mr. ALLEN. I have no questions.

The CHAIRMAN. Mr. Byrne?

Mr. BYRNE. Do you believe these countries have a hidden subsidy?

Mr. CASEY. To the extent that some of these tax concessions, and so forth, could be called hidden subsidies. They are not hidden over there, because everybody knows they are getting them.

Mr. BYRNE. Thank you.

The CHAIRMAN. Mr. Dingell.

Mr. DINGELL. I have no questions.

The CHAIRMAN. Mr. Seely-Brown?

Mr. SEELY-BROWN. I have no questions.

The CHAIRMAN. Mr. Van Pelt?

Mr. VAN PELT. I have no questions.

The CHAIRMAN. Mr. Casey, I have looked forward to this day with a great deal of glee. I did not want you to get off this easily.

Mr. DORN. Let me ask him a question.

The CHAIRMAN. I wish you would.

Mr. DORN. I am very much interested, Mr. Casey, in this statement you made that our passenger fleet will still represent only about one-half of its prewar tonnage if the present construction program for which commitments have already been made is finished. I wondered if that is not in conflict with the statement made by General Franklin that all that the commercial trade can absorb is this one additional ship that is under contemplation in this study which we are making now.

Mr. CASEY. No, Mr. Dorn. I think that in large measure the passenger ships that are not in existence today that were in existence prior to the war were in the coastwise trade. I know from just my own experience that the Eastern Steamship, many of those lines, had passenger ships that were handy during World War II that have not been replaced, and I feel sure that taking those out of the picture is what caused this serious deficiency in the passenger tonnage now.

Mr. DORN. Would you not feel that the passenger tonnage could be increased by building additional ships besides the one that is contemplated today and similar to it for the European run?

Mr. CASEY. Well, in other words, if you are asking me whether the European run will carry profitably more than the two ships that we contemplate here, I am certainly in no position to say. I would have to go along with General Franklin. He is the one that is in the business and knows the dollars and cents angle of the operation and whether or not putting in another ship would be feasible.

Mr. DORN. I have no further questions.

Mr. TOLLEFSON. Mr. Chairman, may I ask a question?

The CHAIRMAN. Yes.

Mr. TOLLEFSON. In connection with what Mr. Dorn said, was my understanding correct that, when General Franklin spoke in connection with Mr. Dorn's question about additional sister ships being built, he answered that ships had to be built for a particular run and that the particular run that he is on could not stand another *United States*.

Mr. CASEY. I think that is right.

Mr. DORN. He also said, I think, if I followed him correctly, that the European run in general would not stand an additional *United States* outside the one contemplated here.

Mr. TOLLEFSON. I thought that that did not preclude the possibility of building other passenger ships, but of different size and capacity and designed to meet a particular run, like on the southern route to the Mediterranean, for instance.

Mr. CASEY. I am sure that General Franklin wanted to say that probably no other run presently would carry a *United States*, but I am sure that there may be other runs that would carry ships of different speeds and sizes, passenger ships.

Mr. TOLLEFSON. I got a little different understanding apparently than Mr. Dorn did. I wanted to make sure that that was the case.

The CHAIRMAN. Mr. Casey, do you have any views with respect to the *America* under existing law in its value to the present owner? What would be the possible utilization of that ship, both from the ship value and the financial value of the ship?

Mr. CASEY. Well, I personally feel that if that ship cannot be used in any other route it would be of value to us as a national-defense asset in the reserve fleet. I do not subscribe to the proposition of transferring it to foreign flag, personally. I do not know to what extent I am representing the institute in these views, but I think if there was a question of the alternative of transferring it to foreign flag in order to provide the United States Lines with sufficient capital to get into this new project feasibly, serious consideration should be given matching that same asset value by taking it in trade and putting it in the reserve fleet.

The CHAIRMAN. Are there any other questions?

Mr. ROBESON. With that I agree, Mr. Casey, as a personal opinion.

The CHAIRMAN. Thank you very much, Mr. Casey.

Mr. CASEY. Thank you, sir.

The CHAIRMAN. There was one other question of General Franklin. Will you stand up, General?

## STATEMENT OF MAJ. GEN. JOHN M. FRANKLIN, PRESIDENT, UNITED STATES LINES—Resumed

The CHAIRMAN. Under the provisions of existing law and the ideas that have been advanced by the Maritime Board and the passage of the 100-percent deferred mortgage loans legislation, you would then say that you could enter into this transaction?

Mr. FRANKLIN. Well, sir, we certainly are going to try. I cannot make any statement of any value until we first find out what price the shipyards are going to quote on a new *United States*, and then what the national-defense allowance will be and what the construction-differential subsidy will be.

All I can say is that the United States Lines are going to try their best to find their part of the money.

The CHAIRMAN. We are very much interested, and we all are anxious to see another ship of the *United States* class on the high seas.

Mr. FRANKLIN. Thank you, sir.

The CHAIRMAN. Thank you very much.

If there are no other questions, the committee will be adjourned.

(Whereupon, at 12: 55 p. m., the hearing was adjourned, subject to the call of the Chair.)

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